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QUARTERLY REVIEW OF HOUSING PRODUCTION IN DELAWARE

FIRST QUARTER, 1986

QUARTERLY REVIEW

OF

HOUSING PRODUCTION

IN

DELAWARE

FIRST QUARTER, 1986

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FOREWORD

The first quarter of 1986 put Delaware's housing production off to a strong start--the strongest since 1973, and 34% stronger than the same period last year. The biggest jump over first quarter 1985 was a 66% increase in single family on-site homes. Mobile homes increased 11%. Multi-family development, however, was down 33% from a year ago, a continuing concern in a state with a very low vacancy rate.

As you read this report, you will notice a change in format. We have computerized our charts to ensure accuracy, and we have integrated many of them into the text. We hope this will make the report easier to use and enable future editions to be published closer to the end of the period they cover.

We are evaluating the content of the report carefully and want a better understanding of who uses it and what sections/charts are most helpful. We welcome suggestions for changes/additions/deletions. Please take the time to fill out the enclosed questionnaire and return it to us. We need to know if the report is being used, and if so, how we can make it more useful. Thank you for your help.

Martha S. Harris

MARTHA S. HARRIS
Director, Division of Housing
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INTRODUCTION

This report presents housing activity in Delaware for the first quarter 1986. Data included are: number of new housing units authorized by building permit, construction costs, number of mobile homes sold, details on unit composition, rehabilitated housing units and residential demolitions.

Information herein relates only to new housing units intended for occupancy on a housekeeping, rather than business, basis. The figures are actual totals accumulated from authorized building permits recorded by various jurisdictions and compiled by the Division of Housing and Community Development. Excluded from the data are hotels and motels, as well as group residential structures with permanent population. Because it is becoming more difficult to distinguish seasonal housing units constructed with full plumbing, heating and electrical facilities for eventual use as retirement homes from housing units constructed as year-round residences, on-site construction data for Sussex County includes all units begun there. With this addition, however, comparisons to previous quarters cannot be made for at least one year since totals before this quarter did not include seasonal units.

Although the data relates to permit issuance rather than actual housing starts, permits are prompt, accurate indicators of construction activity. The United States Bureau of Census states that approximately 98-99 percent of all authorized construction is eventually undertaken. For simplification, therefore, permit issuance is expressed as "starts."

Building Permit Jurisdictions

New Castle and Kent County's building permit systems cover all unincorporated areas within their respective boundaries plus those incorporated communities without permit systems. Those towns and municipalities having permit laws are counted as separate entities within their counties.

Sussex County issues permits for the entire county, even though many local governments have building permit systems. This report adjusts county data to avoid double-counting.

Milford's data is counted in the county containing the building activity.

Definitions

Housing Units - for this report, a housing unit is a room or group of rooms intended for occupancy as separate year-round living quarters by one or more persons, and includes permanent provisions for living, sleeping, eating, cooking, and sanitation.

In accordance with this definition, each apartment unit in an apartment building is counted as one housing unit. Migratory, seasonal and vacation housing has been omitted.

Single-Family Unit - one-family free-standing homes and townhouses or row houses intended to be sold.

Multi-Family Units - a building occupied by more than one family all sharing a common area of land (i.e. condominiums, apartments and townhouses intended to be rented).

Substantial Rehabilitation - additions and alterations containing three of the following four elements constitute substantial rehabilitation: electrical, heating, plumbing or structural work.

On-site Construction - housing built at the site it will occupy once completed. For the purposes of this report, manufactured housing is included in this definition. Mobile homes are not on-site construction.

Abbreviations Key

S-F - single-family
M-F - multi-family
M-H - mobile home

FIRST QUARTER, 1986 HOUSING PRODUCTION

STATEWIDE

Housing starts in Delaware during first quarter 1986 produced 1,325 units, the strongest first quarter showing since 1973. Single-family starts increased 7% and 66% respectively over last quarter and first quarter 1985, while multi-family starts decreased 85% and 33%. Mobile home sales dropped 20% from last quarter, but increased 11% over first quarter 1985. On-site units built this quarter totalled 1,003, and 322 new mobile homes were titled. Table 1 summarizes the total statewide housing production by housing type and quarter.

TABLE 1: STATEWIDE HOUSING PRODUCTION

STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
S-F	538	971	917	834	3,260	894	894
M-F	163	194	93	725	1,175	109	109
Total	701	1,165	1,010	1,559	4,435	1,003	1,003
M-H	291	381	486	400	1,558	322	322
TOTAL	992	1,546	1,496	1,959	5,993	1,325	1,325

The following points are of interest:

- Single-family housing construction increased 16% and 81% respectively in Kent and Sussex Counties this quarter compared to last.
- New Castle County continues to account for more than half of the State's single-family housing activity.
- Of the 894 single-family units begun during first quarter 1986, 43 were identified as manufactured homes. New Castle County recorded 13, Kent County 15 and Sussex County 15. Nanticoke Homes of Greenwood continues to manufacture the majority.
- Multi-family housing decreased throughout the State this quarter from last. More than half of the new multi-family unit starts are in New Castle County this quarter.
- 64% of new mobile homes titled this quarter are in Kent County.

COUNTY ON-SITE CONSTRUCTION

New Castle County

Total on-site activity in New Castle County (581) decreased 29% this quarter from last, but is up 80% over first quarter 1985.

- Single-family on-site construction decreased 57% from last quarter, but increased 111% over first quarter 1985. Although single-family residential growth is still targeted in the Rt. 40-I-95 corridor, construction continues in new subdivisions scattered around the county.

- Multi-family starts totalled 70 units, a 70% and 13% decrease respectively from last quarter and first quarter 1985. Continued construction at Arbor Pointe near Newark, and Birch Pointe, a condominium development in Pike Creek Valley, accounted for most of this quarter's multi-family activity.

The following table provides detail of New Castle County data by quarter since first quarter 1985.

NEW CASTLE COUNTY

TABLE 2: ON-SITE PERMITS ISSUED ISSUED AND MOBILE HOME SALES

LOCATION	STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
Bellefonte	S-F	0	0	0	0	0	1	1
	M-F	0	0	0	0	0	0	0
Elsmere	S-F	0	0	3	0	3	0	0
	M-F	0	0	0	0	0	0	0
New Castle	S-F	3	1	7	2	13	1	1
	M-F	0	10	0	0	10	0	0
Newark	S-F	3	13	34	8	58	18	18
	M-F	0	10	0	0	10	0	0
Newport	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Odessa	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Wilmington	S-F	4	19	15	1	39	6	6
	M-F	62	0	0	18	80	4	4
Unincorporated Areas	S-F	232	484	567	580	1,863	485	485
	M-F	18	63	75	212	368	66	66
New Castle Co. Total On-Site Activity	S-F	242	517	626	591	1,976	511	511
	M-F	80	83	75	230	468	70	70
		322	600	701	821	2,444	581	581
County Mobile Home Sale		7	7	15	30	59	15	15
TOTAL COUNTY PRODUCTION		329	607	716	851	2,503	596	596

Kent County

On-site housing construction in Kent County, as summarized in Table 3, totalled 101 units this quarter, a decrease of 36% and 14% respectively from last quarter and first quarter 1985.

- Single-family construction totalled 101 units, up 14 units from last quarter, but 7 units less than first quarter 1985. Most of the single-family activity occured in the unincorporated areas of Kent County, but construction continues at new housing subdivisions in northwestern Dover.

- No multi-family housing construction was recorded in Kent County this quarter.

KENT COUNTY

TABLE 3: ON-SITE PERMITS ISSUED AND MOBILE HOME SALES

LOCATION	STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
Camden	S-F	1	0	11	0	12	0	0
	M-F	0	0	0	0	0	0	0
Dover	S-F	39	36	26	10	111	30	30
	M-F	0	0	0	60	60	0	0
Harrington	S-F	0	2	2	1	5	1	1
	M-F	0	0	0	0	0	0	0
Milford (K)	S-F	0	1	3	1	5	2	2
	M-F	0	0	0	0	0	0	0
Smyrna	S-F	3	11	2	7	23	7	7
	M-F	10	0	0	2	12	0	0
Unincorporated Areas	S-F	65	80	61	68	274	61	61
	M-F	0	0	0	8	8	0	0
Kent County Total On-Site Activity	S-F	108	130	105	87	430	101	101
	M-F	10	0	0	70	80	0	0
	Total	118	130	105	157	510	101	101
County Mobile Home Sales		208	263	289	224	984	205	205
TOTAL COUNTY PRODUCTION		326	393	394	381	1,494	306	306

Sussex County

Single-and multi-family on-site housing starts in Sussex County totalled 321 units this quarter, 45% less than last quarter but 23% more than first quarter 1985.

- Single-family starts totalled 282 units, 81% more than last quarter and 50% above first quarter 1985. Most single-family construction continues outside town/city limits due to construction moratoriums.

- Multi-family starts totalled 39 units this quarter, a 91% drop from last quarter and 47% less than first quarter 1985. Most of the activity consisted of condominiums built at scattered sites outside incorporated town/city limits.

See Table 4 for additional details.

SUSSEX COUNTY

TABLE 4: ON-SITE PERMITS ISSUED
AND MOBILE HOME SALES

LOCATION	STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
Bethany	S-F	24	[illegible]	5	46	92	24	24
	M-F	0	0	0	0	0	0	0
Bethel	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Blades	S-F	2	3	2	2	9	4	4
	M-F	0	0	0	0	0	0	0
Bridgeville	S-F	0	0	1	0	1	1	1
	M-F	0	0	0	0	0	0	0
Dagsboro	S-F	0	0	0	0	0	1	1
	M-F	0	0	0	0	0	0	0
Delmar	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Dewey Beach	S-F	0	0	5	0	5	0	0
	M-F	9	0	0	10	19	0	0
Fenwick Island	S-F	0	1	0	0	1	0	0
	M-F	0	0	0	0	0	0	0
Georgetown	S-F	17	2	3	1	23	2	2
	M-F	0	0	0	0	0	4	4
Greenwood	S-F	0	0	0	0	2	0	0
	M-F	0	0	0	0	0	0	0
Henlopen Acres	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Laurel	S-F	1	1	0	0	2	0	0
	M-F	0	0	0	0	0	0	0
Lewes	S-F	5	5	3	2	15	4	4
	M-F	0	0	0	2	2	16	16
Milford (S)	S-F	3	3	0	2	8	2	2
	M-F	0	0	6	4	10	6	6
Millsboro	S-F	1	1	0	0	2	4	4
	M-F	0	0	0	32	32	0	0
Milton	S-F	0	2	1	0	3	3	3
	M-F	0	0	0	0	0	0	0
Ocean View	S-F	7	4	3	7	21	3	3
	M-F	0	0	0	0	0	0	0
Rehoboth	S-F	1	1	0	5	7	0	0
	M-F	17	0	0	0	17	3	3
Seaford	S-F	3	0	2	3	8	5	5
	M-F	0	0	0	0	0	0	0
Selbyville	S-F	0	3	0	1	4	0	0
	M-F	0	0	4	0	4	0	0
Slaughter Beach	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
South Bethany	S-F	13	14	4	5	36	11	11
	M-F	0	0	0	0	0	0	0
Unincorporated Areas	S-F	111	245	155	82	613	210	210
	M-F	47	111	8	377	543	10	10
Sussex County Total On-Site Activity	S-F	188	324	186	156	854	282	282
	M-F	73	111	18	425	627	39	39
	Total	261	435	204	581	1,481	321	321
County Mobile Homes Sales		76	111	102	146	515	102	102
TOTAL COUNTY PRODUCTION		337	546	306	727	1,996	423	423

MOBILE HOME ACTIVITY

Table 5 summarizes data from the State's Division of Motor Vehicles on new mobile homes titled during first quarter 1986. Most of this quarter's mobile homes were registered in Kent County. This accounts for more than half of total housing production there this quarter. Sales in all three counties decreased this quarter.

TABLE 5

Mobile Home Activity

	1st Qtr 85	4th Qtr 85	1st Qtr 86	Percent increase/(decrease) 1st Qtr 86 to Qtr 85	4th Qtr 86 to Qtr 85
New Castle Co.	7	30	15	114%	(50%)
Kent Co.	208	224	205	(1.4%)	(8%)
Sussex Co.	76	146	102	34%	(30%)
Statewide Total	291	400	322	11%	(20%)

CONSTRUCTION COSTS

Reported from building permits; costs of land, architectural services, engineering, financing and other professional fees are not included.

Total Costs

The 1,003 units of on-site housing construction started this quarter generated a total permit value construction cost of $44,169,592, a more than $12 million decrease from the $56,554,223 recorded last quarter for 1,559 new housing units. However, the per unit cost increased 21% from $36,276 to $44,037 over the same period. Statewide, 894 single family units total amounted to $40,985,592 while the 109 multi-family units total $3,184,000.

Compared to housing construction dollars generated one year ago, this quarter's total on-site costs are 48% more than the $29,906,694 recorded for first quarter 1985 even though the number of units increased only 37%. Total statewide construction costs by quarters are shown on Table 6. Total construction costs by town, county and unit types by quarters are shown on Tables 7, 8, and 9.

TABLE 6: STATEWIDE TOTAL ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
S-F	20,951,694	52,483,665	37,035,558	36,183,556	146,654,473	40,985,592	40,985,592
M-F	8,955,000	9,119,603	2,453,667	20,370,667	40,898,937	3,184,000	3,184,000
TOTAL	29,906,694	61,603,268	39,489,225	56,554,223	187,553,410	44,169,592	44,169,592

NEW CASTLE COUNTY

TABLE 7: TOTAL ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
Bellefonte	S-F	0	0	0	0	0	47,000	47,000
	M-F	0	0	0	0	0	0	0
Elsmere	S-F	0	0	85,000	0	85,000	0	0
	M-F	0	0	0	0	0	0	0
New Castle	S-F	185,000	35,000	250,000	117,000	587,000	40,320	40,320
	M-F	0	375,000	0	0	375,000	0	0
Newark	S-F	190,000	522,501	1,016,000	499,223	2,227,724	640,000	640,000
	M-F	0	293,000	0	0	293,000	0	0
Newport	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Odessa	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Wilmington	S-F	410,000	796,000	514,000	130,000	1,850,000	380,200	380,200
	M-F	2,814,000	0	0	980,000	3,794,000	90,000	90,000
Unincorporated Areas	S-F	6,274,661	17,485,495	21,257,618	22,107,625	67,125,379	18,325,146	18,325,146
	M-F	410,000	2,899,550	1,492,667	4,743,667	9,545,884	1,064,000	1,064,000
New Castle Co. TOTAL	S-F	7,059,661	18,838,976	23,122,618	22,853,848	71,875,103	19,432,666	19,432,666
	M-F	3,224,000	3,567,550	1,492,667	5,723,667	14,007,884	1,154,000	1,154,000
	Total	10,283,661	22,406,526	24,615,285	28,577,515	85,882,987	20,586,666	20,586,666

KENT COUNTY

TABLE 8: TOTAL ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
Camden	S-F	36,000	0	374,000	0	410,000	0	0
	M-F	0	0	0	0	0	0	0
Dover	S-F	1,302,000	1,293,200	1,149,000	524,000	4,268,200	1,254,745	1,254,745
	M-F	0	0	0	1,126,000	1,126,000	0	0
Harrington	S-F	0	59,500	62,000	25,000	146,500	52,000	52,000
	M-F	0	0	0	0	0	0	0
Milford (K)	S-F	0	36,500	162,000	36,000	234,000	88,500	88,500
	M-F	0	0	0	0	0	0	0
Smyrna	S-F	91,040	530,115	70,520	268,220	959,895	535,861	535,861
	M-F	175,000	0	0	45,000	220,000	0	0
Unincorporated Areas	S-F	3,248,578	4,412,465	3,213,828	3,643,533	14,518,404	3,431,959	3,431,959
	M-F	0	0	0	180,000	180,000	0	0
Kent County TOTAL	S-F	4,677,618	6,331,780	5,031,348	4,496,753	20,537,499	5,363,065	5,363,065
	M-F	175,000	0	0	1,351,000	1,526,000	0	0
	TOTAL	4,852,618	6,331,780	5,031,348	5,847,753	22,063,499	5,363,065	5,363,065

SUSSEX COUNTY

TABLE 9: TOTAL COST ON-SITE CONSTRUCTION
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
Bethany	S-F	1,356,288	1,199,180	415,220	2,786,095	5,756,783	1,411,772	1,411,772
	M-F	0	0	0	0	0	0	0
Bethel	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Blades	S-F	49,000	100,000	64,000	79,160	292,160	134,990	134,990
	M-F	0	0	0	0	0	0	0
Bridgeville	S-F	0	0	60,000	0	60,000	60,000	60,000
	M-F	0	0	0	0	0	0	0
Bagsboro	S-F	0	0	0	0	0	89,000	89,000
	M-F	0	0	0	0	0	0	0
Delmar	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Dewey Beach	S-F	0	0	400,000	0	400,000	0	0
	M-F	900,000	0	0	697,000	1,597,000	0	0
Fenwick Island	S-F	0	80,000	0	0	80,000	0	0
	M-F	0	0	0	0	0	0	0
Georgetown	S-F	469,000	73,000	146,000	42,000	730,000	89,080	89,080
	M-F	0	0	0	0	0	154,000	154,000
Greenwood	S-F	0	50,000	0	0	50,000	0	0
	M-F	0	0	0	0	0	0	0
Henlopen Acres	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Laurel	S-F	37,000	36,000	0	0	73,000	0	0
	M-F	0	0	0	0	0	0	0
Lewes	S-F	218,375	325,390	181,400	401,772	1,126,937	361,000	361,000
	M-F	0	0	0	67,000	67,000	640,000	640,000
Milford (S)	S-F	136,400	218,750	0	72,100	407,250	235,000	235,000
	M-F	0	0	135,000	84,000	219,000	149,000	149,000
Millsboro	S-F	38,000	38,000	0	0	76,000	182,000	182,000
	M-F	0	0	0	800,000	800,000	0	0
Milton	S-F	0	92,000	49,000	0	141,000	119,000	119,000
	M-F	0	0	0	0	0	0	0
Ocean View	S-F	287,000	265,000	158,900	463,000	1,173,900	131,000	131,000
	M-F	0	0	0	0	0	0	0
Rehoboth	S-F	65,000	58,000	0	306,000	429,000	0	0
	M-F	1,600,000	0	0	0	1,600,000	250,000	250,000
Seaford	S-F	235,000	0	76,875	140,000	451,875	201,700	201,700
	M-F	0	0	0	0	0	0	0
Selbyville	S-F	0	152,000	0	39,000	0	0	0
	M-F	0	0	30,000	0	30,000	0	0
Slaughter Beach	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
South Bethany	S-F	981,254	1,150,990	376,268	343,000	2,851,512	932,180	932,180
	M-F	0	0	0	0	0	0	0
Unincorporated Areas	S-F	5,342,098	23,474,679	6,953,929	4,160,828	39,931,534	12,242,729	12,242,729
	M-F	3,056,000	5,552,053	796,000	11,648,000	21,052,053	837,000	837,000
Sussex County TOTAL	S-F	9,214,415	27,312,989	8,881,592	8,832,955	54,241,871	16,189,861	16,189,861
	M-F	5,556,000	5,552,053	961,000	13,296,000	25,365,053	2,030,000	2,030,000
	TOTAL	14,770,415	32,864,962	9,842,592	22,128,955	79,606,924	18,219,861	18,219,861

Average Costs

Average housing construction costs are reported for trend purposes only and are not true cost indicators.

Statewide average housing construction costs this quarter for both single and multi-family on-site units increased 21% to $44,037 from last quarter and rose 3% above average unit costs recorded one year ago this time. The average construction cost for a single family unit this quarter is $45,845, 6% more than costs per unit last quarter, and 18% higher per-unit than first quarter 1985. The statewide per-unit construction cost of a multi-family apartment this quarter is $29,211, up 4% over costs reported last quarter, but 47% less than costs reported in the first quarter 1985.

TABLE 10: STATEWIDE AVERAGE ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
S-F	38,944	54,051	40,388	43,385	44,986	45,845	45,845
M-F	54,939	47,008	26,384	28,098	34,808	29,211	29,211
ALL UNITS	42,663	52,878	39,098	36,276	42,289	33,336	33,336

Average on-site construction costs increased in each Delaware county this quarter compared to last. New single-family average construction costs were lowest in New Castle County this quarter at $38,029, 2% below costs last quarter, but 30% above comparable construction costs one year ago this quarter.

The highest cost per single-family unit this quarter is $57,411 in Sussex County, up 2% from last quarter and 17% more than first quarter 1985. The average cost for a new single-family home in Kent County increased to $53,100, 3% more than last quarter, and 23% more than per unit costs reported for first quarter 1985.

Quarterly average construction costs by housing unit type, town and county are shown in Tables 11,12, and 13.

NEW CASTLE COUNTY

TABLE 11: AVERAGE ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 Total	1986 1st Qtr	Year To Date
Bellefonte	S-F	0	0	0	0	0	47,000	47,000
	M-F	0	0	0	0	0	0	0
Elsmere	S-F	0	0	28,333	0	28,333	0	0
	M-F	0	0	0	0	0	0	0
New Castle	S-F	61,667	35,000	35,714	58,500	45,154	40,320	40,320
	M-F	0	37,500	0	0	37,500	0	0
Newark	S-F	63,333	40,192	29,882	62,403	38,409	35,555	35,555
	M-F	0	29,300	0	0	29,300	0	0
Newport	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Odessa	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Wilmington	S-F	102,500	41,895	34,267	130,000	47,436	63,367	63,367
	M-F	45,387	0	0	54,444	47,425	22,500	22,500
Unincorporated Areas	S-F	27,046	36,127	37,491	38,117	36,031	37,784	37,784
	M-F	22,778	46,024	19,902	22,376	25,940	16,121	16,121
New Castle Co. TOTAL	S-F	29,172	36,439	36,937	38,670	36,374	38,029	38,029
	M-F	40,300	42,983	19,902	24,886	29,931	16,486	16,486
	ALL UNITS	31,937	37,344	35,115	34,808	35,140	35,433	35,433

KENT COUNTY

TABLE 12: AVERAGE ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
Camden	S-F	36,000	0	34,000	0	34,167	0	0
	M-F	0	0	0	0	0	0	0
Dover	S-F	33,385	35,922	44,192	52,400	38,452	41,825	41,825
	M-F	0	0	0	18,767	18,767	0	0
Harrington	S-F	0	29,750	31,000	25,000	29,300	52,000	52,000
	M-F	0	0	0	0	0	0	0
Milford (K)	S-F	0	36,500	54,000	36,000	46,900	44,250	44,250
	M-F	0	0	0	0	0	0	0
Smyrna	S-F	30,347	48,192	35,260	38,317	41,734	76,552	76,552
	M-F	17,500	0	0	22,500	18,333	0	0
Unincorporated Areas	S-F	49,978	55,156	52,686	53,581	52,987	56,262	56,262
	M-F	0	0	0	22,500	22,500	0	0
Kent County TOTAL	S-F	43,219	48,706	47,918	51,687	47,762	53,100	53,100
	M-F	17,500	0	0	19,300	19,075	0	0
	ALL UNITS	41,124	48,706	47,918	37,247	14,768	53,100	53,100

SUSSEX COUNTY
TABLE (3): AVERAGE ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	1985 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	Year To Date
Bethany	S-F	56,512	70,535	83,044	60,567	62,573	58,824	58,824
	M-F	0	0	0	0	0	0	0
Bethel	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Blades	S-F	24,500	33,333	32,000	29,500	32,462	3,650	33,650
	M-F	0	0	0	0	0	0	0
Bridgeville	S-F	0	0	60,000	0	60,000	60,000	60,000
	M-F	0	0	0	0	0	0	0
Dagsboro	S-F	0	0	0	0	0	89,000	89,000
	M-F	0	0	0	0	0	0	0
Delmar	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Dewey Beach	S-F	0	0	80,000	0	80,000	0	0
	M-F	100,000	0	0	69,700	84,053	0	0
Fenwick Island	S-F	0	80,000	0	0	80,000	0	0
	M-F	0	0	0	0	0	0	0
Georgetown	S-F	27,500	36,500	48,667	42,000	31,739	44,540	44,540
	M-F	0	0	0	0	0	38,500	38,500
Greenwood	S-F	0	25,000	0	0	25,000	0	0
	M-F	0	0	0	0	0	0	0
Henlopen Acres	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Laurel	S-F	27,000	36,000	0	0	36,500	0	0
	M-F	0	0	0	0	0	0	0
Lewes	S-F	43,675	65,078	60,467	200,886	75,129	90,250	90,250
	M-F	0	0	0	33,500	33,500	40,000	40,000
Milford (S)	S-F	45,467	72,917	0	36,050	50,906	117,500	117,500
	M-F	0	0	22,500	21,000	21,900	24,833	24,833
Millsboro	S-F	38,000	38,000	0	0	38,000	45,700	45,700
	M-F	0	0	0	25,000	25,000	0	0
Milton	S-F	0	46,000	49,000	0	47,000	39,667	39,667
	M-F	0	0	0	0	0	0	0
Ocean View	S-F	41,000	46,250	52,967	66,143	55,900	43,667	43,667
	M-F	0	0	0	0	0	0	0
Rehoboth	S-F	65,000	58,000	0	61,290	61,286	0	0
	M-F	94,118	0	0	0	94,118	83,333	83,333
Seaford	S-F	78,333	0	38,438	46,667	56,484	40,340	40,340
	M-F	0	0	0	0	0	0	0
Selbyville	S-F	0	50,667	0	39,000	47,750	0	0
	M-F	0	0	7,500	0	7,500	0	0
Slaughter Beach	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
South Bethany	S-F	75,481	82,214	62,711	68,660	75,040	84,744	84,744
	M-F	0	0	0	0	0	0	0
Unincorporated Areas	S-F	48,127	80,584	44,864	50,742	65,141	56,159	56,159
	M-F	45,021	50,019	99,500	30,897	38,779	83,700	83,700
Sussex County TOTAL	S-F	49,013	84,299	47,756	56,621	63,515	57,411	57,411
	M-F	76,110	50,019	53,389	31,285	40,454	52,051	52,051
	ALL UNITS	56,092	75,552	48,248	36,088	53,752	56,760	56,760

UNIT PROFILE

According to the statistics below, the most popular new housing unit begun during January, February, and March, 1986 is a three bedroom single-family unit containing over 1,500 square feet of living space and heated by an electic heat pump.

Bedrooms

Of the 1,003 on-site new housing units, 57% were three-bedroom single-family units, up 27% from fourth quarter 1985. The four-bedroom single family home demand increased to 20%, up 8% from last quarter. The two-bedroom multi-family unit represented 11% of total activity this quarter. Table 14 shows bedroom mix breakdowns per unit type by communities and counties for this quarter compared to first quarter 1985. Table 15 shows bedroom percentages by unit type.

TABLE 14: NUMBER OF BEDROOMS IN NEW HOUSING UNITS

LOCATION	1ST QUARTER 1985								1ST QUARTER 1986							
	1 BR		2 BR		3 BR		4 BR		1 BR		2 BR		3 BR		4 BR	
	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF
NEW CASTLE																
Bellefonte	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0
Elsmere	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Castle	0	0	0	0	2	0	1	0	0	0	1	0	0	0	0	0
Newark	0	0	0	0	2	0	1	0	0	0	1	0	16	0	1	0
Newport	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Odessa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wilmington	0	62	0	0	4	0	0	0	0	0	3	4	3	0	0	0
Unincorporated Areas	2	6	48	12	134	0	48	0	5	21	36	45	284	0	160	0
COUNTY TOTAL	2	68	48	12	142	0	50	0	5	21	42	49	303	0	161	0
KENT																
Camden	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Dover	0	0	4	0	27	0	8	0	0	0	1	0	25	0	4	0
Harrington	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0
Milford (K)	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0
Smyrna	0	0	0	10	3	0	0	0	0	0	0	0	5	0	2	0
Unincorporated Areas	0	0	5	0	54	0	6	0	0	0	8	0	51	0	2	0
COUNTY TOTAL	0	0	9	10	85	0	14	0	0	0	10	0	83	0	8	0
SUSSEX																
Bethany	0	0	2	0	13	0	9	0	0	0	0	0	22	0	2	0
Bethel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Blades	0	0	2	0	0	0	0	0	0	0	1	0	3	0	0	0
Bridgeville	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0
Dagsboro	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0
Delmar	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dewey Beach	0	0	0	0	0	7	0	0	0	0	0	0	0	0	0	0
Fenwick Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Georgetown	0	0	15	0	2	0	0	0	0	0	0	0	2	0	0	0
Greenwood	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Henlopen Acres	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Laurel	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Lewes	0	0	1	0	4	0	0	0	0	0	0	12	4	4	0	0
Milford (S)	0	0	0	0	3	0	0	0	0	0	0	3	1	0	1	0
Millsboro	0	0	1	0	0	0	0	0	0	0	0	0	4	0	0	0
Milton	0	0	0	0	0	0	0	0	0	0	1	0	2	0	0	0
Ocean View	0	0	0	0	7	0	0	0	0	0	2	0	1	0	0	0
Rehoboth	0	0	0	0	0	17	1	0	0	0	0	2	0	1	0	0
Seaford	0	0	0	0	2	0	1	0	0	0	2	0	3	0	0	0
Selbyville	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Slaughter Beach	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Bethany	0	0	0	0	6	0	7	0	0	0	0	0	4	0	7	0
Unincorporated Areas	3	0	19	16	89	27	0	4	2	0	50	7	140	2	26	0
COUNTY TOTAL	3	0	40	16	127	53	18	4	2	0	56	24	188	7	36	0
TOTAL	5	68	97	38	354	53	82	4	7	21	108	73	574	7	205	0

TABLE 15

# Bedrooms	Single Family 1986 1st Qtr.	Single Family 1985 1st Qtr.	Multi-Family 1986 1st Qtr.	Multi-Family 1985 1st Qtr.
1	1%	1%	19%	42%
2	12%	18%	67%	23%
3	64%	66%	7%	33%
4+	23%	15%	7%	2%

Living Space

Statewide, the larger units (over 1,500 square feet) took the lead in per unit living space preference with 48% of the 1,003 on-site new units. Most (69%) of these units are in New Castle County. Mid-sized new housing units (between 1,000 and 1,500 square feet) represented 40% of statewide starts and were preferred in Kent and Sussex Counties. The small units (less than 1,000 square feet) accounted for 12% of the total units statewide. More details are available on Table 16.

TABLE 16: NUMBER OF UNITS BY SQUARE FEET PER UNIT

LOCATION	1985 1ST QUARTER under 1000	1000-1500	over 1500	1986 1ST QUARTER under 1000	1000-1500	over 1500
NEW CASTLE						
Bellefonte	0	0	0	1	0	0
Elsmere	0	0	0	0	0	0
New Castle	0	2	1	0	1	0
Newark	1	0	2	7	9	2
Newport	0	0	0	0	0	0
Odessa	0	0	0	0	0	0
Wilmington	0	62	4	0	4	6
Unincorporated Areas	13	126	111	62	166	323
COUNTY TOTAL	14	190	118	70	180	331
KENT						
Camden	0	1	0	0	0	0
Dover	8	9	22	0	5	25
Harrington	0	0	0	0	1	0
Milford (K)	0	0	0	0	2	0
Smyrna	0	13	0	0	4	3
Unincorporated Areas	6	29	30	5	38	18
COUNTY TOTAL	14	52	52	5	50	46
SUSSEX						
Bethany	0	8	16	0	1	23
Bethel	0	0	0	0	0	0
Blades	2	0	0	4	0	0
Bridgeville	0	0	0	0	1	0
Dagsboro	0	0	0	0	0	1
Delmar	0	0	0	0	0	0
Dewey Beach	0	0	9	0	0	0
Fenwick Island	0	0	0	0	0	0
Georgetown	8	9	0	0	6	0
Greenwood	0	0	0	0	0	0
Henlopen Acres	0	0	0	0	0	0
Laurel	0	1	0	0	0	0
Lewes	0	5	0	0	1	19
Milford (S)	0	2	1	0	1	7
Millsboro	0	0	5	0	0	4
Milton	0	0	0	0	3	0
Ocean View	6	7	0	0	3	0
Rehoboth	0	17	1	2	0	1
Seaford	0	2	1	0	5	0
Selbyville	0	0	0	0	0	0
Slaughter Beach	0	0	0	0	0	0
South Bethany	0	1	12	0	0	11
Unincorporated Areas	35	55	68	38	154	36
COUNTY TOTAL	45	107	109	44	175	102
TOTAL	73	349	279	119	405	479

Heating Fuel

Electric heat (primarily via a heat pump) continues to be the most favored heat source in Delaware this quarter with 82% of the 1,003 on-site new units, a 6% increase over last quarter, and 14% above first quarter 1985. Electric heat is the dominant heat source in all three counties this quarter. The distribution of heating sources for on-site residential construction this quarter, compared to last quarter and the first quarter 1985 is shown in Figure 1.
More details are available on Table 17.

Figure 1

1st Qtr. 1986 Fuel Comparison

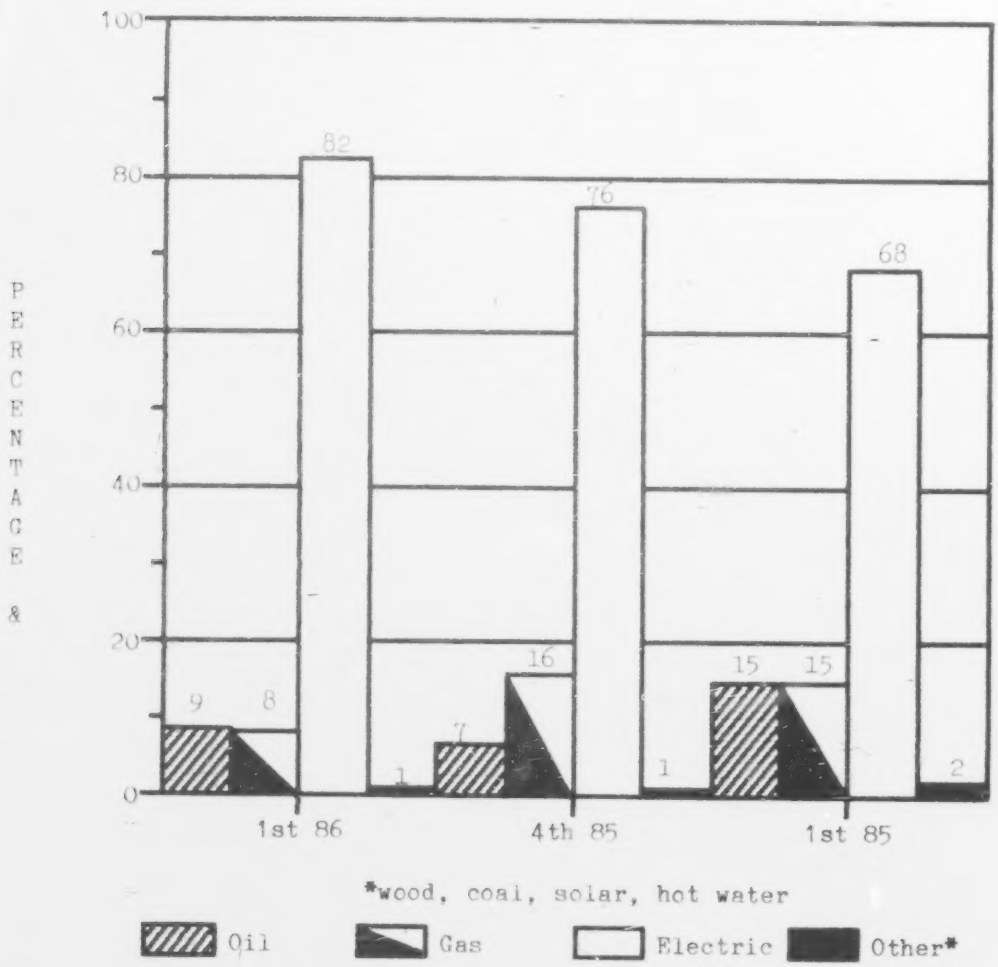


TABLE 17: HEATING FUEL IN NEW HOUSING UNITS

LOCATION	NUMBER OF NEW UNITS WITH SPECIFIED FUEL 1985 1ST QUARTER				1986 1ST QUARTER			
	Oil	Gas	Elec.	Other	Oil	Gas	Elec.	Other
NEW CASTLE								
Bellefonte	0	0	0	0	1	0	0	0
Elsmere	0	0	0	0	0	0	0	0
New Castle	3	0	0	0	0	1	0	0
Newark	0	2	1	0	0	0	18	0
Newport	0	0	0	0	0	0	0	0
Odessa	0	0	0	0	0	0	0	0
Wilmington	0	2	64	0	0	0	10	0
Unincorporated Areas	20	50	179	1	14	36	501	0
COUNTY TOTAL	23	54	244	1	15	37	529	0
KENT								
Camden	0	0	1	0	0	0	0	0
Dover	8	30	1	0	0	26	4	0
Harrington	0	0	0	0	0	0	1	0
Milford (K)	0	0	0	0	0	0	2	0
Smyrna	0	11	2	0	0	4	3	0
Unincorporated Areas	7	2	52	4	9	2	44	6
COUNTY TOTAL	15	43	56	4	9	32	54	6
SUSSEX								
Bethany	0	0	24	0	0	0	24	0
Bethel	0	0	0	0	0	0	0	0
Blades	0	0	2	0	0	0	4	0
Bridgeville	0	0	0	0	0	0	1	0
Dagsboro	0	0	0	0	0	0	1	0
Delmar	0	0	0	0	0	0	0	0
Dewey Beach	9	0	0	0	0	0	0	0
Fenwick Island	0	0	0	0	0	0	0	0
Georgetown	0	0	17	0	0	0	6	0
Greenwood	0	0	0	0	0	0	0	0
Henlopen Acres	0	0	0	0	0	0	0	0
Laurel	0	0	1	0	0	0	0	0
Lewes	2	0	3	0	0	0	20	0
Milford (S)	0	0	3	0	0	0	8	0
Millsboro	0	0	1	0	0	0	4	0
Milton	0	0	0	0	0	0	3	0
Ocean View	0	0	7	0	0	0	3	0
Rehoboth	1	0	17	0	0	0	3	0
Seaford	0	0	3	0	0	0	5	0
Selbyville	0	0	0	0	0	0	0	0
Slaughter Beach	0	0	0	0	0	0	0	0
South Bethany	0	0	13	0	0	0	11	0
Unincorporated Areas	54	9	89	7	65	13	149	1
COUNTY TOTAL	66	9	179	7	65	13	242	1
TOTAL	104	106	479	12	89	82	825	7

REHABILITATED AND DEMOLISHED HOUSING

Home modifications or improvements for which permits have been issued range from adding a bathroom, bedroom or family room to substantial rehabilitation of a fire-damaged unit. Alterations and additions to existing housing units in Delaware this quarter totalled 318 at a total cost of $5,134,070, averaging $16,145 per unit.

Housing renovation work this quarter decreased 9% from last quarter, but is 48% more than one year ago. The average unit cost this quarter increased $69 per home over the previous quarter, but is down $2,498 versus a year ago. The majority of home improvements this quarter continue to occur in Wilmington due to the Wilmington Housing Authority's rehabilitation program.

Table 18 shows housing renovation cost and units this quarter compared to first quarter 1985. Table 19 shows residential demolitions this quarter compared to first quarter 1985.

TABLE 18: REHABILITATION HOUSING (UNITS AND COST IN THOUSANDS)

LOCATION	1985 1ST QTR. UNITS	COST	1986 1ST QTR. UNITS	COST
NEW CASTLE				
Bellefonte	0	0	0	0
Elsmere	0	0	4	48
New Castle	0	0	3	47
Newark	4	83	4	59
Newport	0	0	0	0
Odessa	0	0	0	0
Wilmington	59	862	144	2,038
Unincorporated Areas	46	715	70	1,305
COUNTY TOTAL	109	1,661	225	3,496
KENT				
Camden	0	0	0	0
Dover	11	149	12	148
Harrington	0	0	1	6
Milford (K)	0	0	0	0
Smyrna	7	56	0	0
Unincorporated Areas	17	326	18	323
COUNTY TOTAL	35	531	31	477
SUSSEX				
Bethany	2	34	3	39
Bethel	0	0	0	0
Blades	0	0	0	0
Bridgeville	0	0	0	0
Dagsboro	0	0	0	0
Delmar	1	11	0	0
Dewey Beach	0	0	0	0
Fenwick Island	0	0	0	0
Georgetown	4	32	0	0
Greenwood	0	0	0	0
Henlopen Acres	0	0	0	0
Laurel	0	0	0	0
Lewes	10	173	14	260
Milford (S)	1	9	4	37
Millsboro	4	64	2	13
Milton	0	0	0	0
Ocean View	0	0	0	0
Rehoboth	7	255	13	181
Seaford	2	15	4	27
Selbyville	0	0	0	0
Slaughter Beach	0	0	0	0
South Bethany	6	77	5	111
Unincorporated Areas	5	606	17	1,081
COUNTY TOTAL	42	1,276	62	1,161
STATEWIDE	186	3,468	318	5,134

TABLE 19: RESIDENTIAL UNITS DEMOLISHED

LOCATION	NUMBER OF UNITS DEMOLISHED 1985 1st Qtr	1986 1st Qtr
NEW CASTLE		
Bellefonte	0	0
Elsmere	0	0
New Castle	0	0
Newark	1	0
Newport	0	0
Odessa	0	0
Wilmington	16	4
Unincorporated Areas	2	12
COUNTY TOTAL	19	16
KENT		
Camden	0	0
Dover	0	0
Harrington	0	0
Milford (K)	0	0
Smyrna	3	0
Unincorporated Areas	14	9
COUNTY TOTAL	17	9
SUSSEX		
Bethany	0	1
Bethel	0	0
Blades	0	0
Bridgeville	0	0
Dagsboro	0	0
Delmar	0	0
Dewey Beach	0	0
Fenwick Island	0	0
Georgetown	1	0
Greenwood	0	0
Henlopen Acres	0	0
Laurel	0	0
Lewes	2	18
Milford (S)	0	1
Millsboro	0	1
Milton	0	1
Ocean View	0	0
Rehoboth	0	0
Seaford	0	0
Selbyville	0	0
Slaughter Beach	0	0
South Bethany	0	0
Unincorporated Areas	0	0
COUNTY TOTAL	3	22
STATEWIDE TOTAL	37	47

FEDERAL ASSISTANCE

Nineteen single-family units received federal assistance (FmHA, FHA, VA) in the form of direct loans, subsidies, mortgage insurance or mortgage guarantees in Delaware during first quarter 1986. This is a decrease of 5 from last quarter. Table 20 summarizes this quarter's activity.

TABLE 20

Federal Assistance

	Farmers Home Administration	Federal Housing Administration	Veterans Administration	Total
New Castle Co.	1	12	Ø	13
Kent Co.	1	Ø	Ø	1
Sussex Co.	5	Ø	Ø	5
STATEWIDE TOTAL	7	12	Ø	19

NATIONAL HOUSING PICTURE

The U.S. Department of Commerce reports construction of new homes and apartments dropped 2.4% in March but remained at the highest rate since 1978. March construction started was at a seasonally adjusted annual rate of 1.95 million units, the third consecutive month that the building pace was more than 1.9 million units. Single family starts rose Ø.7% in March to an annual rate of 1.21 million units, while multi-family construction fell 7.1%.

This decline was led by a 19.2% drop in the Northeast, followed by an 8% drop in the Midwest. The South and West saw slight increases.

Mortgage interest rates went below 10% for the first time since 1978. Housing permits--a good indicator for future activity--issued in March rose 2.4% to an annual rate of 1.85 million units.

# # # # # # # # # #

APPENDIX A

GRAPHS OF SINGLE FAMILY

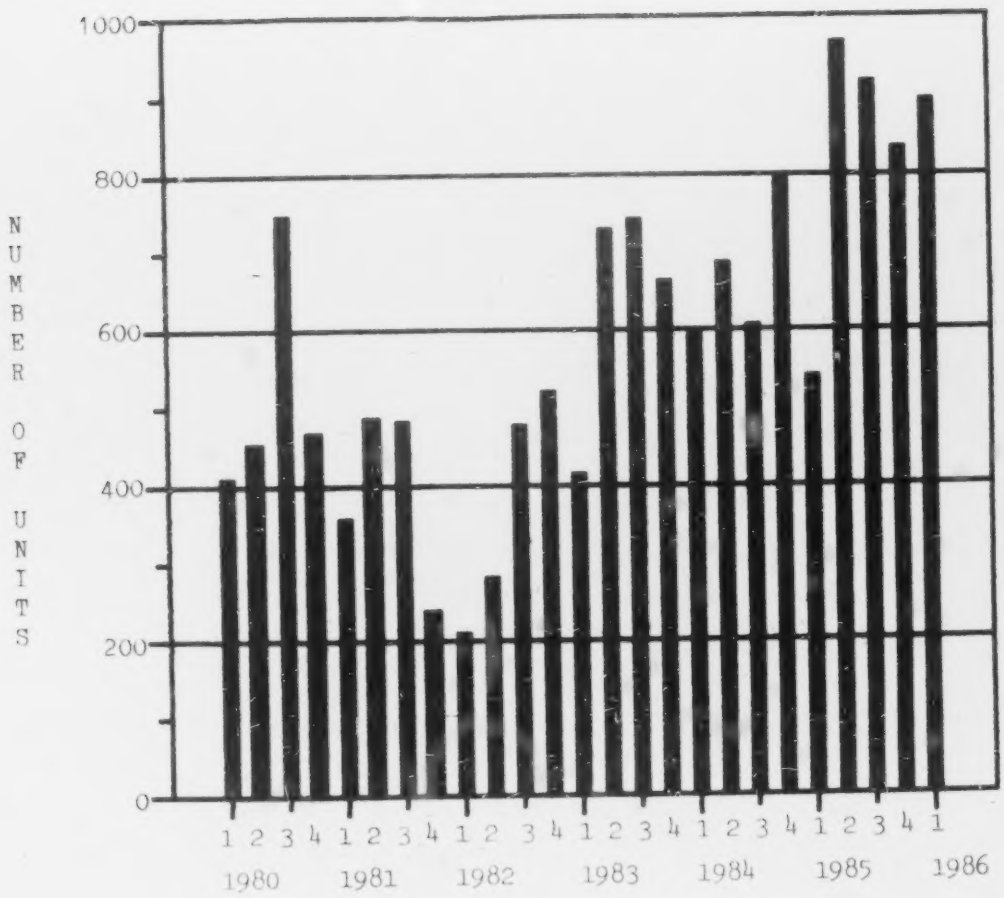
HOUSING PRODUCTION

1980 - 1986

(BY QUARTER)

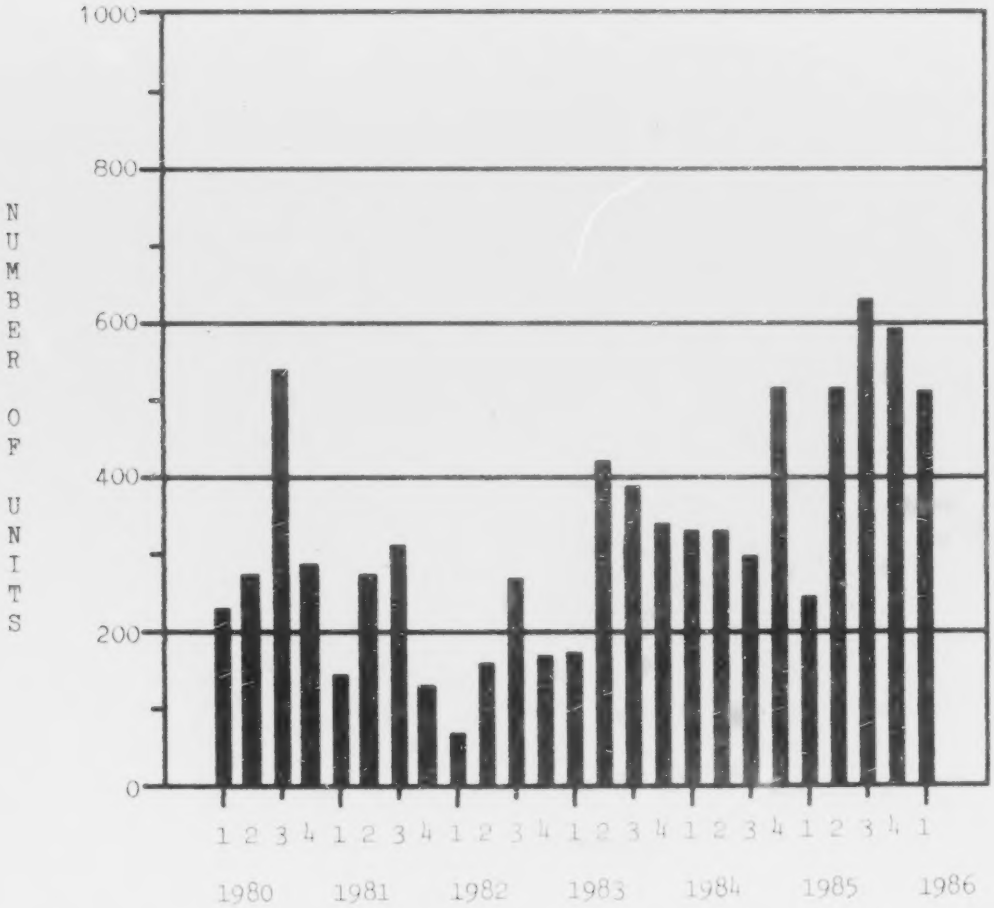
SINGLE FAMILY HOUSING PRODUCTION

STATEWIDE BY QUARTER



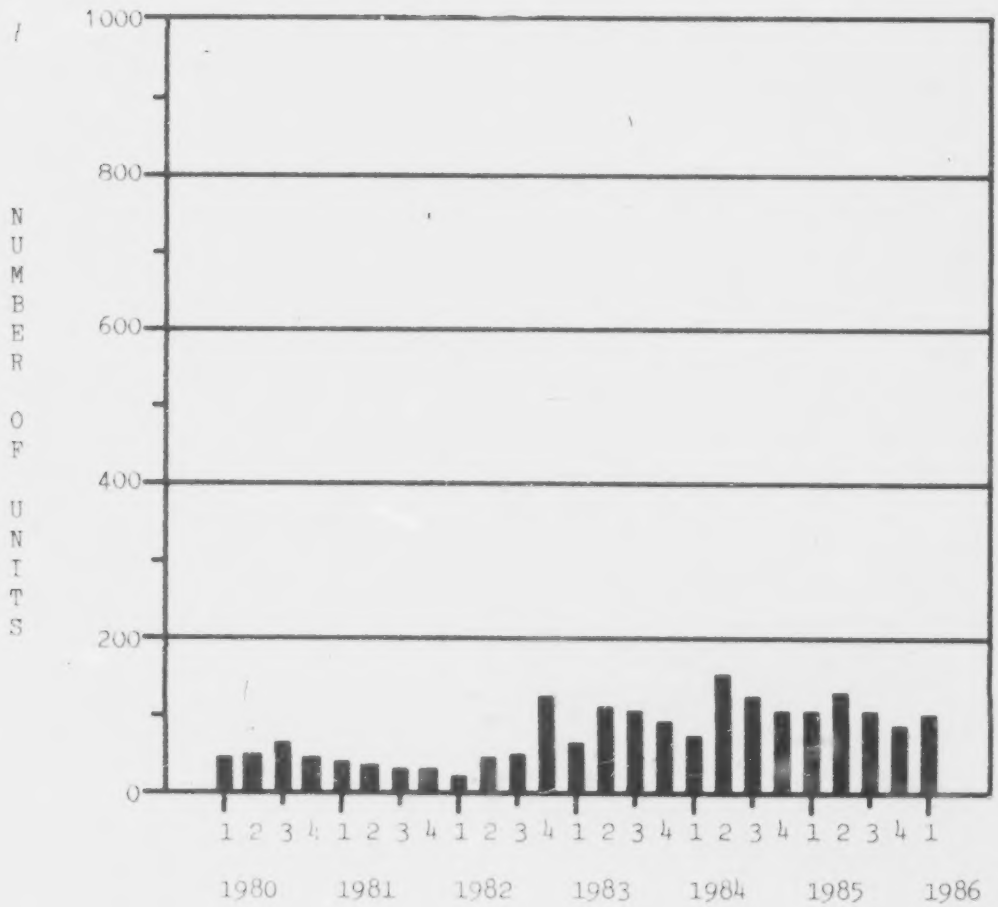
SINGLE FAMILY HOUSING PRODUCTION

NEW CASTLE COUNTY BY QUARTER



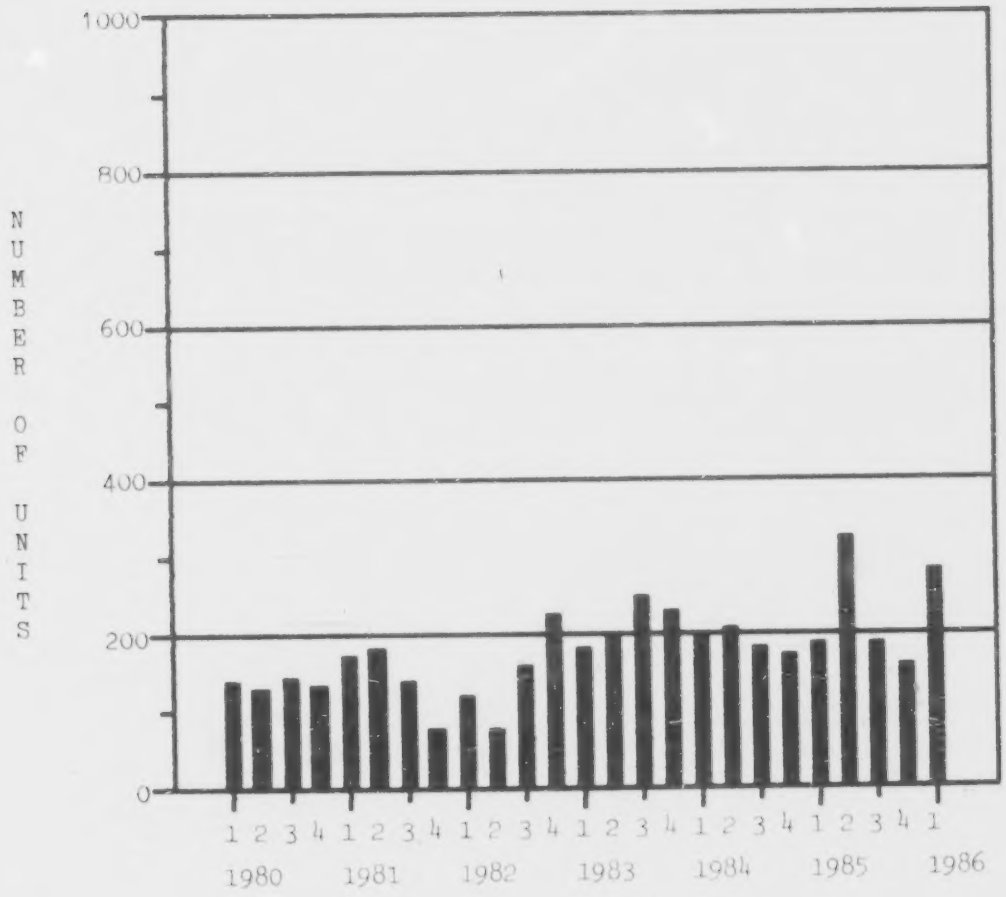
SINGLE FAMILY HOUSING PRODUCTION

KENT COUNTY BY QUARTER



SINGLE FAMILY HOUSING PRODUCTION

SUSSEX COUNTY BY QUARTER



APPENDIX B

AVERAGE BUILDERS' COST

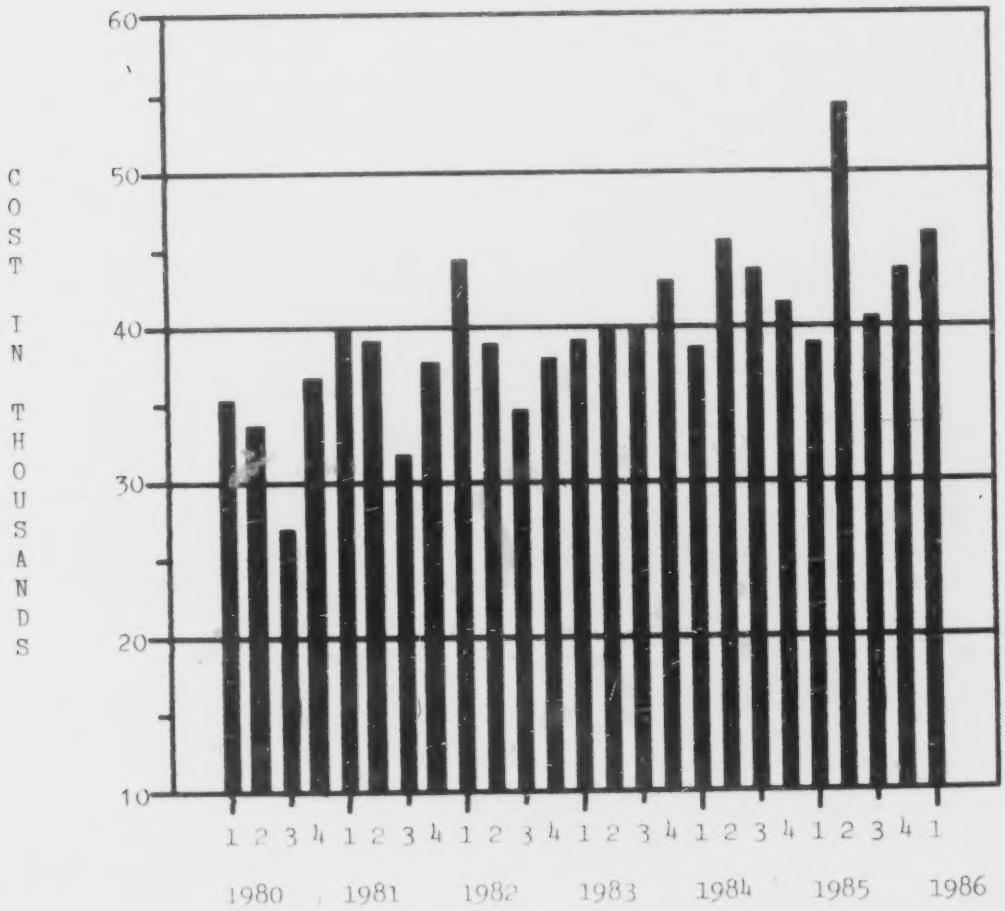
OF A SINGLE FAMILY HOME

1980 - 1986

(BY QUARTER)

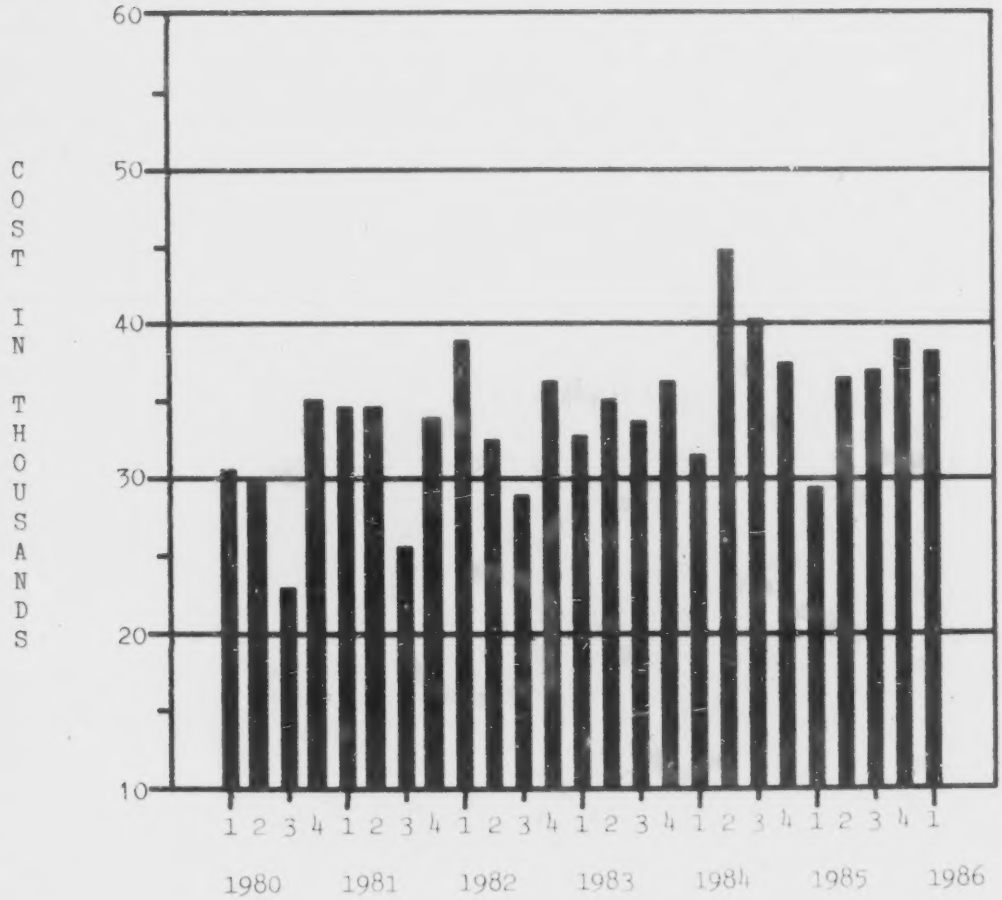
AVERAGE BUILDERS' COST FOR A SINGLE FAMILY HOME

STATEWIDE BY QUARTER



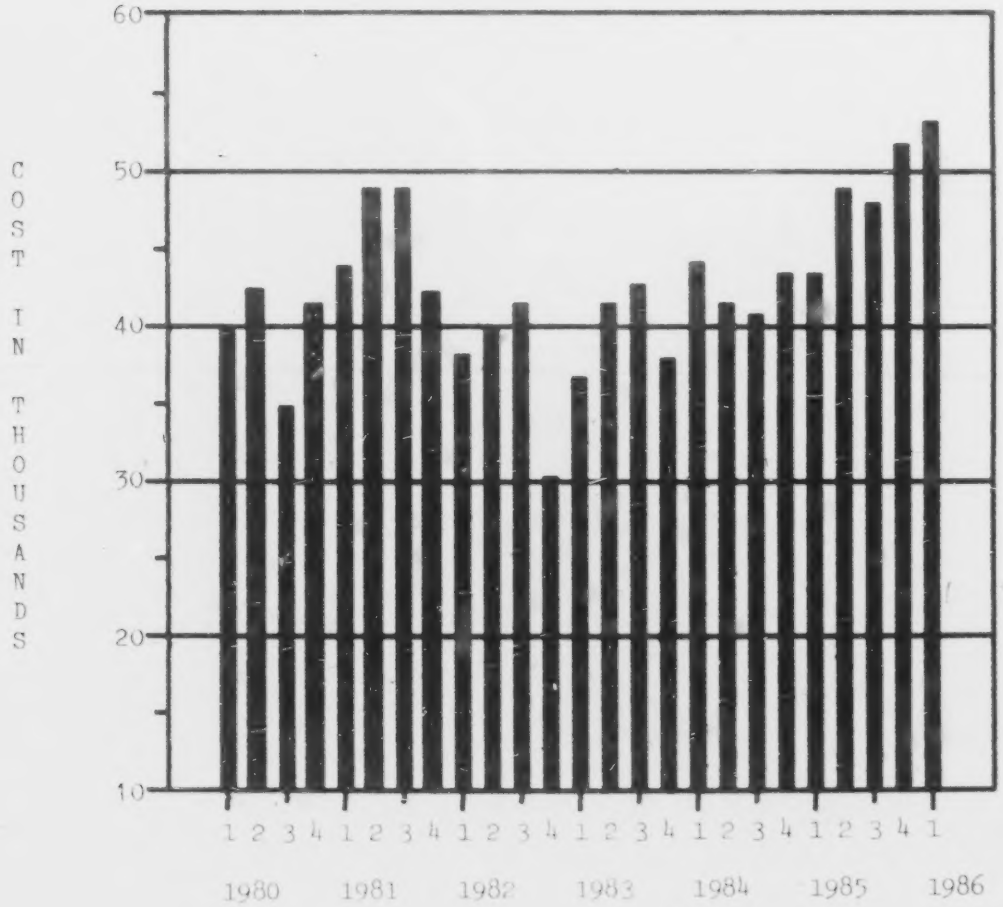
AVERAGE BUILDERS' COST FOR A SINGLE FAMILY HOME

NEW CASTLE COUNTY BY QUARTER



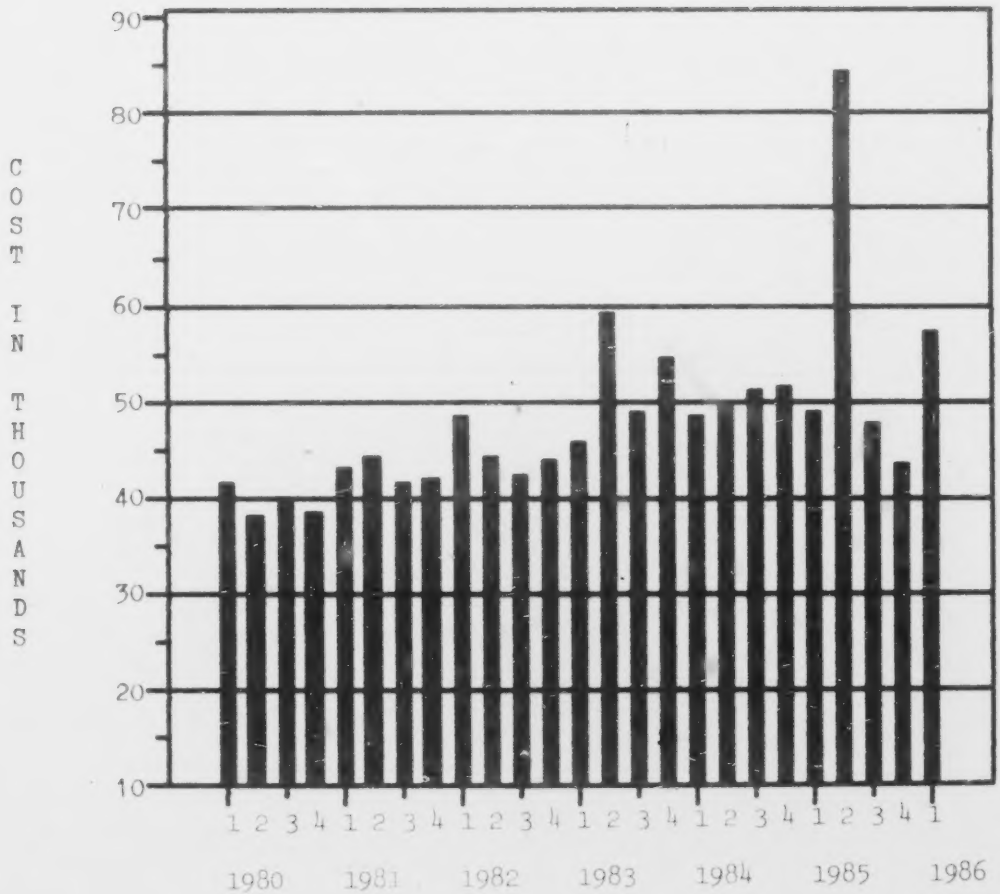
AVERAGE BUILDERS' COST FOR A SINGLE FAMILY HOME

KENT COUNTY BY QUARTER



AVERAGE BUILDERS' COST FOR A SINGLE FAMILY HOME

SUSSEX COUNTY BY QUARTER



The cooperation of local building permit offices in supplying data for this report is gratefully acknowledged.

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QUARTERLY REVIEW OF HOUSING PRODUCTION IN DELAWARE

SECOND QUARTER, 1986

QUARTERLY REVIEW

OF

HOUSING PRODUCTION

IN

DELAWARE

SECOND QUARTER, 1986

Judith D. Ventura
Research and Information Section
Division of Housing and
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Dover, Delaware 19901

August, 1986

FOREWORD

The second quarter of 1986 was the strongest second quarter since 1973 and the strongest overall since third quarter 1973. While on-site production is growing at a more rapid pace, mobile home permits continue to rise. With the increasing sales prices of on-site housing and the low vacancy rate in rental housing of all types, the pressure on communities to allow expansion of mobile home sites is building. If communities were not reluctant to zone for mobile homes, the statistics contained in this report would probably show higher growth. Whether the answer is in mobile homes or some other type of housing, Delaware needs to find ways of providing more safe, decent housing at affordable prices.

Martha S. Harris

MARTHA S. HARRIS
Director, Division of Housing
and Community Development

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INTRODUCTION

This report presents housing activity in Delaware for the second quarter 1986. Data included are: number of new housing units authorized by building permit, construction costs, number of mobile homes sold, details on unit composition, rehabilitated housing units and residential demolitions.

Information herein relates only to new housing units intended for occupancy on a housekeeping, rather than business, basis. The figures are actual totals accumulated from authorized building permits recorded by various jurisdictions and compiled by the Division of Housing and Community Development. Excluded from the data are hotels and motels, as well as group residential structures with permanent population. Because it is becoming more difficult to distinguish seasonal housing units constructed with full plumbing, heating and electrical facilities for eventual use as retirement homes from housing units constructed as year-round residences, on-site construction data for Sussex County includes all units begun there. With this addition, however, comparisons to previous quarters cannot be made for at least one year since totals before first quarter 1986 did not include seasonal units.

Although the data relates to permit issuance rather than actual housing starts, permits are prompt, accurate indicators of construction activity. The United States Bureau of Census states that approximately 98-99 percent of all authorized construction is eventually undertaken. For simplification, therefore, permit issuance is expressed as "starts."

Building Permit Jurisdictions

New Castle and Kent County's building permit systems cover all unincorporated areas within their respective boundaries plus those incorporated communities without permit systems. Those towns and municipalities having permit laws are counted as separate entities within their counties.

Sussex County issues permits for the entire county, even though many local governments have building permit systems. This report adjusts county data to avoid double-counting.

Milford's data is counted in the county containing the building activity.

Definitions

Housing Units - for this report, a housing unit is a room or group of rooms intended for occupancy as separate year-round living quarters by one or more persons, and includes permanent provisions for living, sleeping, eating, cooking, and sanitation.

In accordance with this definition, each apartment unit in an apartment building is counted as one housing unit. Migratory, seasonal and vacation housing has been omitted.

Single-Family Unit - one-family free-standing homes and townhouses or row houses intended to be sold.

Multi-Family Units - a building occupied by more than one family all sharing a common area of land (i.e. condominiums, apartments and townhouses intended to be rented).

Substantial Rehabilitation - additions and alterations containing three of the following four elements constitute substantial rehabilitation: electrical, heating, plumbing or structural work.

On-site Construction - housing built at the site it will occupy once completed. For the purposes of this report, manufactured housing is included in this definition. Mobile homes are not on-site construction.

Abbreviations Key

S-F - single-family
M-F - multi-family
M-H - mobile home

SECOND QUARTER, 1986 HOUSING PRODUCTION

STATEWIDE

Housing starts in Delaware during second quarter 1986 produced 2,046 units, the strongest second quarter showing since 1973. Single-family starts increased 29% and 18% respectively over last quarter and second quarter 1985, while multi-family starts increased 332% and 143%. Mobile home sales rose 32% over last quarter, and increased 12% over second quarter 1985. On-site units built this quarter totalled 1,621, and 425 new mobile homes were titled. Table 1 summarizes the total statewide housing production by housing type and quarter.

TABLE 1: STATEWIDE HOUSING PRODUCTION

STRUCTURE	1985 2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	1986 2nd Qtr	Year To Date
S-F	971	917	834	3,260	894	1,150	2,044
M-F	194	93	725	1,175	109	471	580
Total	1,165	1,010	1,559	4,435	1,003	1,621	2,624
M-H	381	486	400	1,556	322	425	747
TOTAL	1,546	1,496	1,959	5,991	1,325	2,046	3,371

The following points are of interest:

- Single-family housing construction increased 41% and 58% respectively in New Castle and Kent Counties this quarter compared to last, while Sussex County decreased 4%.
- Of the 1,150 single-family units begun during second quarter 1986, 65 were identified as manufactured homes. New Castle County recorded 36, Kent County 6 and Sussex County 23. Nanticoke Homes of Greenwood continues to manufacture the majority.
- Multi-family housing increased throughout the State this quarter from last. Forty-seven percent of the new multi-family unit starts are in New Castle County this quarter.
- 64% of new mobile homes titled this quarter are in Kent County, which continued to be the primary location for mobile home growth.

COUNTY ON-SITE CONSTRUCTION

New Castle County

Total on-site activity in New Castle County (940) increased 62% this quarter from last, and is up 57% over second quarter 1985.

- Single-family on-site construction increased 41% over last quarter, and 39% over second quarter 1985. Although single-family residential growth is still concentrated in the Rt. 40-I-95 corridor, construction continues in new subdivisions scattered around the county.
- Multi-family starts totalled 220 units, a 214% and 165% increase respectively from last quarter and second quarter 1985. Continued construction at Arbor Pointe near Newark and Birch Pointe, a condominium development in Pike Creek Valley, accounted for most of the activity.

The following table provides detail of New Castle County data by quarter since second quarter 1985.

NEW CASTLE COUNTY

TABLE 2: ON-SITE PERMITS ISSUED AND MOBILE HOME SALES

LOCATION	STRUCTURE	1985 2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	2nd Qtr	Year To Date
Bellefonte	S-F	0	0	0	0	1	0	1
	M-F	0	0	0	0	0	0	0
Elsmere	S-F	0	3	0	3	0	1	1
	M-F	0	0	0	0	0	0	0
New Castle	S-F	1	7	2	13	1	3	4
	M-F	10	0	0	10	0	6	6
Newark	S-F	13	34	8	58	18	17	35
	M-F	10	0	0	10	0	6	6
Newport	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Odessa	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Wilmington	S-F	19	15	1	39	6	38	44
	M-F	0	0	18	80	4	12	16
Unincorporated Areas	S-F	484	567	580	1,863	485	661	1,146
	M-F	63	75	212	368	66	196	262
New Castle Co. Total On-Site Activity	S-F	517	626	591	1,976	511	720	1,231
	M-F	83	75	230	468	70	220	290
		600	701	821	2,444	581	940	1,521
County Mobile Home Sale		7	15	30	53	15	29	44 1,565
TOTAL COUNTY PRODUCTION		607	716	851	2,503	596	969	596

Kent County

On-site housing construction in Kent County, as summarized in Table 3, totalled 257 units this quarter, an increase of 155% and 98% respectively from last quarter and second quarter 1985.

- Single-family construction totalled 160 units, up 58% from last quarter, and 23% more than second quarter 1985. Most of the single-family activity occured in the unincorporated areas of Kent County, particularly near Dover and at new housing subdivisions in the city's northwestern section.

- Continued construction at Woodmill Apartments in Dover accounted for most of the 97 multi-family units started this quarter. No multi-family housing activity occurred in Kent County last quarter or second quarter 1985.

KENT COUNTY

TABLE 3: ON-SITE PERMITS ISSUED AND MOBILE HOME SALES

LOCATION	STRUCTURE	1985 2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	2nd Qtr	Year To Date
Camden	S-F	0	11	0	12	0	0	0
	M-F	0	0	0	0	0	0	0
Dover	S-F	36	26	10	111	30	48	78
	M-F	0	0	60	60	0	60	60
Harrington	S-F	2	2	1	5	1	4	5
	M-F	0	0	0	0	0	34	34
Milford (K)	S-F	1	3	1	5	2	3	5
	M-F	0	0	0	0	0	3	3
Smyrna	S-F	11	2	7	23	7	7	14
	M-F	0	0	2	12	0	0	0
Unincorporated Areas	S-F	80	61	68	274	61	98	159
	M-F	0	0	8	8	0	0	0
Kent County Total On-Site Activity	S-F	130	105	87	430	101	160	261
	M-F	0	0	70	80	0	97	97
	Total	130	105	157	510	101	257	358
County Mobile Home Sales		263	289	224	984	205	270	475
TOTAL COUNTY PRODUCTION		393	394	381	1,494	306	527	833

Sussex County

Single- and multi-family on-site housing starts in Sussex County totalled 424 units this quarter, 32% more than last quarter but 3% less than second quarter 1985.

- Single-family starts totalled 270 units, 4% less than last quarter and 17% below second quarter 1985. Most single-family construction continues outside town/city limits due to construction moratoriums.

- Multi-family starts totalled 154 units this quarter, a 295% jump over last quarter and 39% more than second quarter 1985. Most of the activity consisted of condominiums built at scattered sites outside incorporated town/city limits.

See Table 4 for additional details.

SUSSEX COUNTY

TABLE 4: ON-SITE PERMITS ISSUED AND MOBILE HOME SALES

LOCATION	STRUCTURE	1985 2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	2nd Qtr	Year To Date
Bethany	S-F	17	5	4e	92	24	18	42
	M-F	0	0	0	0	0	0	0
Bethel	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Blades	S-F	3	2	2	9	4	3	7
	M-F	0	0	0	0	0	0	0
Bridgeville	S-F	0	1	0	1	1	0	1
	M-F	0	0	0	0	0	0	0
Dagsboro	S-F	0	0	0	0	1	1	2
	M-F	0	0	0	0	0	0	0
Delmar	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Dewey Beach	S-F	0	5	0	5	0	0	0
	M-F	0	0	10	10	0	0	0
Fenwick Island	S-F	1	0	0	1	0	0	0
	M-F	0	0	0	0	0	0	0
Georgetown	S-F	2	3	1	23	2	3	5
	M-F	0	0	0	0	4	0	4
Greenwood	S-F	0	0	0	2	0	0	0
	M-F	0	0	0	0	0	0	0
Henlopen Acres	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Laurel	S-F	1	0	0	2	0	0	0
	M-F	0	0	0	0	0	0	0
Lewes	S-F	5	3	2	15	4	10	14
	M-F	0	0	2	2	16	0	16
Milford (S)	S-F	3	0	2	6	2	0	2
	M-F	0	6	4	10	6	6	12
Millsboro	S-F	1	0	0	2	4	8	12
	M-F	0	0	32	32	0	4	4
Milton	S-F	2	1	0	3	3	1	4
	M-F	0	0	0	0	0	0	0
Ocean View	S-F	4	3	7	21	3	1	4
	M-F	0	0	0	0	0	0	0
Rehoboth	S-F	1	0	5	7	0	0	0
	M-F	0	0	0	17	3	3	6
Seaford	S-F	0	2	3	8	5	5	10
	M-F	0	0	0	0	0	0	0
Selbyville	S-F	3	0	1	4	0	1	1
	M-F	0	4	0	4	0	0	0
Slaughter Beach	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
South Bethany	S-F	14	6	5	38	11	8	19
	M-F	0	0	0	0	0	0	0
Unincorporated Areas	S-F	265	155	82	612	218	211	429
	M-F	111	8	370	543	10	133	143
Sussex County Total On Site Activity	S-F	324	186	156	854	287	270	557
	M-F	111	18	425	627	39	154	193
	Total	435	204	581	1,481	321	424	745
County Mobile Homes Sales		111	182	146	515	102	124	226
TOTAL COUNTY PRODUCTION		546	386	727	1,996	423	550	973

MOBILE HOME ACTIVITY

Table 5 summarizes data from the State's Division of Motor Vehicles on new mobile homes titled during second quarter 1986. Most of this quarter's mobile homes were registered in Kent County. This accounts for more than half of total housing production there this quarter. However, sales in all three counties increased this quarter and the greatest percentage increases were in New Castle County. While the absolute numbers in New Castle are small, making dramatic percentage changes easy, careful monitoring of data is recommended in order to determine changing trends.

TABLE 5

Mobile Home Activity

	2nd Qtr 85	1st Qtr 86	2nd Qtr 86	Percent increase/(decrease) 2nd Qtr 86 to Qtr 86	1st 2nd Qtr 86 to Qtr 85	2nd
New Castle Co.	7	15	29	93%	314%	
Kent Co.	263	205	270	32%	3%	
Sussex Co.	111	102	126	24%	14%	
Statewide Total	381	322	425	32%	12%	

CONSTRUCTION COSTS

Reported from building permits; costs of land, architectural services, engineering, financing and other professional fees are not included.

Total Costs

The 1,621 units of on-site housing construction started this quarter generated a total permit value construction cost of $67,231,013, a more than $23 million increase over the $44,169,592 recorded last quarter for 1,003 new housing units. Statewide, 1,150 single family units total amounted to $53,936,913 while the 471 multi-family units total $13,294,100.

Compared to housing construction dollars generated one year ago, this quarter's total on-site costs are 9% more than the $61,603,268 recorded for second quarter 1985. Total statewide construction costs by quarters are shown on Table 6. Total construction costs by town, county and unit types by quarters are shown on Tables 7, 8, and 9.

TABLE 6: STATEWIDE TOTAL ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

STRUCTURE	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	2nd Qtr	Year To Date
S-F	52,483,665	37,035,558	36,183,556	146,654,473	40,985,592	53,936,913	94,922,505
M-F	9,119,603	2,453,667	20,370,667	40,898,937	3,184,000	13,294,100	16,478,100
TOTAL	61,603,268	39,489,225	56,554,223	187,553,410	44,169,592	67,231,013	111,400,605

NEW CASTLE COUNTY

TABLE 7: TOTAL ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	2nd Qtr	Year To Date
Bellefonte	S-F	0	0	0	0	47,000	0	47,000
	M-F	0	0	0	0	0	0	0
Elsmere	S-F	0	85,000	0	85,000	0	25,000	25,000
	M-F	0	0	0	0	0	0	0
New Castle	S-F	35,000	250,000	117,000	587,000	40,320	159,640	200,160
	M-F	375,000	0	0	375,000	0	265,000	265,000
Newark	S-F	522,501	1,016,000	499,223	2,227,724	640,000	586,000	1,226,000
	M-F	293,000	0	0	293,000	0	120,000	120,000
Newport	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Odessa	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Wilmington	S-F	796,000	514,000	130,000	1,850,000	880,200	1,810,300	2,190,200
	M-F	0	0	980,000	3,794,000	90,000	270,300	360,000
Unincorporated Areas	S-F	17,485,495	21,257,618	22,107,625	67,125,379	18,325,146	25,918,171	44,243,317
	M-F	2,899,550	1,492,667	4,743,667	9,545,884	1,064,000	4,805,000	5,869,000
New Castle Co. TOTAL	S-F	18,838,976	23,122,618	22,853,848	71,875,103	19,432,666	28,501,011	47,933,677
	M-F	3,567,550	1,492,667	5,723,667	14,007,884	1,154,000	5,460,000	6,614,000
	Total	22,406,526	24,615,285	28,577,515	85,882,987	20,586,666	33,961,011	54,547,677

KENT COUNTY

TABLE 8: TOTAL ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	2nd Qtr	Year To Date
Camden	S-F	0	374,000	0	410,000	0	0	0
	M-F	0	0	0	0	0	0	0
Dover	S-F	1,293,200	1,149,000	524,000	4,268,200	1,254,745	1,842,613	1,254,745
	M-F	0	0	1,126,000	1,126,000	0	1,126,000	0
Harrington	S-F	59,500	62,000	25,000	146,500	52,000	113,275	52,000
	M-F	0	0	0	0	0	1,031,660	0
Milford (K)	S-F	36,500	162,000	36,000	234,000	88,500	139,000	88,500
	M-F	0	0	0	0	0	290,000	0
Smyrna	S-F	530,115	70,520	268,220	959,895	535,861	506,600	535,861
	M-F	0	0	45,000	220,000	0	0	0
Unincorporated Areas	S-F	4,412,465	3,213,828	3,643,533	14,518,404	3,431,959	6,329,052	3,431,959
	M-F	0	0	180,000	180,000	0	0	0
Kent County TOTAL	S-F	6,331,780	5,031,348	4,496,753	20,537,499	5,363,065	8,960,740	5,363,065
	M-F	0	0	1,351,000	1,526,000	0	2,447,660	0
	TOTAL	6,331,780	5,031,348	5,847,753	22,063,499	5,363,065	11,408,420	5,363,065

SUSSEX COUNTY

TABLE 9: TOTAL COST ON-SITE CONSTRUCTION
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	1995 2nd Qtr	3rd Qtr	4th Qtr	1995 TOTAL	1996 1st Qtr	2nd Qtr	Year To Date
Bethany	S-F	1,199,100	415,220	2,788,095	5,756,703	1,411,772	1,179,540	1,411,772
	M-F	0	0	0	0	0	600,000	0
Bethel	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Blades	S-F	100,000	64,000	79,160	292,160	134,900	106,342	134,900
	M-F	0	0	0	0	0	0	0
Bridgeville	S-F	0	60,000	0	60,000	60,000	0	60,000
	M-F	0	0	0	0	0	0	0
Dagsboro	S-F	0	0	0	0	89,000	50,000	89,000
	M-F	0	0	0	0	0	0	0
Delmar	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Dewey Beach	S-F	0	400,000	0	400,000	0	0	0
	M-F	0	0	697,000	1,597,000	0	0	0
Fenwick Island	S-F	80,000	0	0	80,000	0	0	0
	M-F	0	0	0	0	0	0	0
Georgetown	S-F	73,000	146,000	42,000	730,000	89,080	163,965	89,080
	M-F	0	0	0	0	154,000	0	154,000
Greenwood	S-F	50,000	0	0	50,000	0	0	0
	M-F	0	0	0	0	0	0	0
Henlopen Acres	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Laurel	S-F	30,000	0	0	73,000	0	0	0
	M-F	0	0	0	0	0	0	0
Lewes	S-F	325,390	181,400	401,772	1,126,937	361,000	858,505	361,000
	M-F	0	0	67,000	67,000	640,000	0	640,000
Milford (S	S-F	218,750	0	72,100	407,250	225,000	0	225,000
	M-F	0	135,000	84,000	219,000	149,000	136,000	149,000
Millsboro	S-F	38,000	0	0	76,000	182,000	316,276	182,000
	M-F	0	0	800,000	800,000	0	360,000	0
Milton	S-F	92,000	49,000	0	141,000	119,000	78,000	119,000
	M-F	0	0	0	0	0	0	0
Ocean View	S-F	265,000	156,900	463,000	1,173,900	131,000	75,000	131,000
	M-F	0	0	0	0	0	0	0
Rehoboth	S-F	58,000	0	306,000	429,000	0	0	0
	M-F	0	0	0	1,600,000	250,000	250,000	250,000
Seaford	S-F	0	76,875	140,000	451,875	201,700	294,500	201,700
	M-F	0	0	0	0	0	0	0
Selbyville	S-F	152,000	0	39,000	0	0	42,000	0
	M-F	0	30,000	0	30,000	0	0	0
Slaughter Beach	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
South Bethany	S-F	1,150,990	376,268	343,000	2,851,512	932,180	546,163	932,180
	M-F	0	0	0	0	0	0	0
Unincorporated Areas	S-F	23,476,676	6,953,920	4,160,828	39,931,534	12,242,729	12,770,765	12,242,729
	M-F	5,552,053	796,000	11,648,000	21,052,053	837,000	4,040,420	837,000
Sussex County TOTAL	S-F	27,312,906	8,881,592	8,832,955	54,241,871	16,184,861	16,475,168	16,184,861
	M-F	5,552,053	961,000	13,296,000	25,365,053	2,030,000	5,386,420	2,030,000
	TOTAL	32,864,960	9,842,592	22,128,955	79,606,924	18,219,861	21,861,588	18,219,861

Average Costs

Average housing construction costs are reported for trend purposes only and are not true cost indicators.

Statewide average housing construction costs this quarter for both single and multi-family on-site units decreased 6% to $41,475 from last quarter and dropped 22% below average unit costs recorded one year ago this time. The average construction cost for a single family unit this quarter is $46,902, 2% more than costs per unit last quarter, but 13% lower per-unit than second quarter 1985. The statewide per-unit construction cost of a multi-family apartment this quarter is $28,225, down 3% below costs reported last quarter, and 40% less than costs reported in the second quarter 1985.

TABLE 10: STATEWIDE AVERAGE ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

	1985			1985	1986		Year
STRUCTURE	2nd Qtr	3rd Qtr	4th Qtr	TOTAL	1st Qtr	2nd Qtr	To Date
S-F	54,051	40,383	43,395	44,986	45,845	46,902	46,442
M-F	47,008	26,384	28,098	34,808	29,211	28,225	28,411
ALL UNITS	52,878	39,098	36,276	42,289	44,037	41,475	42,455

Average on-site construction costs increased in New Castle and Sussex Counties this quarter compared to last, but decreased in Kent County due to the increased number of multi-family units. New single-family average construction costs were lowest in New Castle County this quarter at $39,585, 4% above costs last quarter, and 9% above comparable construction costs one year ago this quarter.

The highest cost per single-family unit this quarter is $61,019 in Sussex County, up 6% from last quarter but 32% less than second quarter 1985. The average cost for a new single-family home in Kent County increased to $56,005, 5% more than last quarter, and 15% more than per unit costs reported for second quarter 1985.

Quarterly average construction costs by housing unit type, town and county are shown in Tables 11,12, and 13.

NEW CASTLE COUNTY

TABLE 11: AVERAGE ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	1985 2nd Qtr	3rd Qtr	4th Qtr	1985 Total	1986 1st Qtr	2nd Qtr	Year To Date
Bellefonte	S-F	0	0	0	0	47,000	0	47,000
	M-F	0	0	0	0	0	0	0
Elsmere	S-F	0	28,333	0	28,333	0	25,000	25,000
	M-F	0	0	0	0	0	0	0
New Castle	S-F	35,000	35,714	58,500	45,154	40,320	53,280	50,040
	M-F	37,500	0	0	37,500	0	44,167	44,167
Newark	S-F	40,192	29,882	62,403	38,409	35,555	34,588	35,086
	M-F	29,300	0	0	29,300	0	20,000	20,000
Newport	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Odessa	S-F	0	0	0	0	0	0	0
	M-F	0	0	0	0	0	0	0
Wilmington	S-F	41,895	34,267	130,000	47,436	63,367	47,632	49,777
	M-F	0	0	54,444	47,425	22,500	22,500	22,500
Unincorporated Areas	S-F	36,127	37,491	38,117	36,051	37,784	39,217	38,607
	M-F	46,024	19,902	22,376	25,940	16,121	24,515	22,401
New Castle Co. TOTAL	S-F	36,439	36,937	38,670	36,374	36,029	39,585	36,939
	M-F	42,983	19,902	24,886	29,931	16,466	24,818	22,807
	ALL UNITS	37,344	35,115	34,806	35,140	35,433	36,129	34,855

KENT COUNTY

TABLE 12: AVERAGE ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	1985 2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	2nd Qtr	Year To Date
Camden	S-F	0	34,000	0	34,167	0	0	0
	M-F	0	0	0	0	0	0	0
Dover	S-F	35,922	44,192	52,400	38,452	41,825	39,017	40,097
	M-F	0	0	18,767	18,767	0	18,767	18,767
Harrington	S-F	29,750	31,000	25,000	29,300	52,000	26,319	33,055
	M-F	0	0	0	0	0	30,343	30,344
Milford (K)	S-F	36,500	54,000	56,000	46,900	44,250	46,333	45,500
	M-F	0	0	0	0	0	96,667	96,667
Smyrna	S-F	48,192	35,260	58,317	41,734	76,552	72,371	74,462
	M-F	0	0	22,500	18,333	0	0	0
Unincorporated Areas	S-F	55,156	52,686	53,581	52,387	56,262	64,582	61,390
	M-F	0	0	22,500	22,500	0	0	0
Kent County TOTAL	S-F	48,706	47,916	51,687	47,762	53,100	56,005	54,380
	M-F	0	0	19,300	19,075	0	25,234	25,234
	ALL UNITS	48,706	47,916	37,247	14,766	53,100	44,391	46,848

SUSSEX COUNTY

TABLE 13: AVERAGE ON-SITE CONSTRUCTION COSTS
(REPORTED FROM PERMITS)

LOCATION	STRUCTURE	2nd Qtr	3rd Qtr	4th Qtr	1985 TOTAL	1986 1st Qtr	2nd Qtr	Year To Date
Bethany	S F	70,535	83,044	60,567	62,573	56,824	65,530	58,824
	M F	0	0	0	0	0	75,000	0
Bethel	S F	0	0	0	0	0	0	0
	M F	0	0	0	0	0	0	0
Blades	S F	33,333	37,000	39,500	32,429	33,650	35,467	33,650
	M F	0	0	0	0	0	0	0
Bridgeville	S F	0	60,000	0	60,000	60,000	0	60,000
	M F	0	0	0	0	0	0	0
Dagsboro	S F	0	0	0	0	89,000	50,000	89,000
	M F	0	0	0	0	0	0	0
Delmar	S F	0	0	0	0	0	0	0
	M F	0	0	0	0	0	0	0
Dewey Beach	S F	0	80,000	0	80,000	0	0	0
	M F	0	0	69,700	84,050	0	0	0
Fenwick Island	S F	80,000	0	0	80,000	0	0	0
	M F	0	0	0	0	0	0	0
Georgetown	S F	36,500	48,667	42,000	31,739	44,542	54,655	44,542
	M F	0	0	0	0	38,500	0	38,500
Greenwood	S F	25,000	0	0	25,000	0	0	0
	M F	0	0	0	0	0	0	0
Henlopen Acres	S F	0	0	0	0	0	0	0
	M F	0	0	0	0	0	0	0
Laurel	S F	36,000	0	0	36,500	0	0	0
	M F	0	0	0	0	0	0	0
Lewes	S F	65,476	60,467	200,888	75,129	90,250	85,871	90,250
	M F	0	0	33,500	33,500	40,000	0	40,000
Milford (S	S F	72,917	0	36,050	50,906	117,500	0	117,500
	M F	0	22,500	21,000	21,900	24,833	22,667	24,833
Millsboro	S F	38,000	0	0	38,000	45,700	39,547	45,700
	M F	0	0	25,000	25,000	0	90,000	0
Milton	S F	46,000	49,000	0	47,000	39,667	76,000	39,667
	M F	0	0	0	0	0	0	0
Ocean View	S F	66,250	52,967	66,142	55,900	43,667	75,000	43,667
	M F	0	0	0	0	0	0	0
Rehoboth	S F	58,000	0	61,200	61,286	0	0	0
	M F	0	0	0	94,118	83,333	83,333	83,333
Seaford	S F	0	38,438	46,667	56,484	40,340	58,900	40,340
	M F	0	0	0	0	0	0	0
Selbyville	S F	50,667	0	39,000	47,750	0	42,000	0
	M F	0	7,500	0	7,500	0	0	0
Slaughter Beach	S F	0	0	0	0	0	0	0
	M F	0	0	0	0	0	0	0
South Bethany	S F	82,214	62,711	68,660	75,040	84,744	67,520	84,744
	M F	0	0	0	0	0	0	0
Unincorporated Areas	S F	86,584	64,864	56,748	65,141	56,159	60,525	56,159
	M F	50,019	99,500	30,897	38,770	83,700	30,375	83,700
Sussex County TOTAL	S F	84,299	67,750	56,621	63,515	57,411	61,017	57,411
	M F	50,019	53,389	31,895	40,454	52,051	34,977	52,051
	ALL UNITS	75,552	48,248	38,088	53,752	56,760	68,105	56,760

UNIT PROFILE

According to the statistics below, the most popular new housing unit begun during April, May, and June, 1986 is a three bedroom single-family unit containing over 1,500 square feet of living space and heated by an electic heat pump.

Bedrooms

Of the 1,621 on-site new housing units, 43% were three-bedroom single-family units, down 14% from first quarter 1986. The four-bedroom single family home demand decreased to 15%, down 5% from last quarter. The two-bedroom multi-family unit represented 17% of total activity this quarter, up 6% from last quarter. Table 14 shows bedroom mix breakdowns per unit type by communities and counties for this quarter compared to second quarter 1985. Table 15 shows bedroom percentages by unit type.

TABLE 14: NUMBER OF BEDROOMS IN NEW HOUSING UNITS

LOCATION	2ND QUARTER 1985								2ND QUARTER 1986							
	1 BR		2 BR		3 BR		4 BR		1 BR		2 BR		3 BR		4 BR	
	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF	SF	MF
NEW CASTLE																
Bellefonte	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Elsmere	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0
New Castle	0	2	0	4	1	4	0	0	0	0	0	2	2	2	1	2
Newark	0	0	9	0	10	0	2	0	0	3	0	3	17	0	0	0
Newport	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0
Odessa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wilmington	0	0	4	0	15	0	0	0	0	6	0	6	36	0	2	0
Unincorporated Areas	0	15	46	37	262	11	144	0	7	64	127	115	347	17	184	0
COUNTY TOTAL	0	17	59	41	318	15	149	1	7	73	128	126	402	19	183	2
KENT																
Camden	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dover	0	0	16	0	13	0	7	0	0	24	20	30	18	6	10	0
Harrington	0	0	0	0	2	0	0	0	0	16	1	16	3	0	0	0
Milford (K)	0	0	0	0	1	0	0	0	0	1	0	2	3	0	0	0
Smyrna	0	0	1	0	9	0	1	0	0	0	0	0	6	0	1	0
Unincorporated Areas	0	0	16	0	59	0	5	0	3	0	10	0	73	0	12	0
COUNTY TOTAL	0	0	33	0	84	0	13	0	3	41	31	50	103	6	23	0
SUSSEX																
Bethany	0	0	2	0	9	0	8	0	0	0	0	2	17	6	1	0
Bethel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Blades	0	0	2	0	3	0	0	0	0	0	0	0	3	0	0	0
Bridgeville	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dagsboro	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0
Delmar	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dewey Beach	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fenwick Island	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Georgetown	0	0	1	0	1	0	0	0	0	0	0	0	3	0	0	0
Greenwood	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0
Henlopen Acres	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Laurel	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Lewes	0	0	0	0	4	0	1	0	0	0	2	0	8	0	0	0
Milford (S)	0	0	0	0	3	0	0	0	0	3	0	3	0	0	0	0
Millsboro	0	0	1	0	0	0	0	0	0	0	4	0	4	4	0	0
Milton	0	0	0	0	0	0	2	0	0	0	0	0	3	0	0	0
Ocean View	0	0	2	0	1	0	1	0	0	0	0	0	1	0	0	0
Rehoboth	0	0	0	0	0	1	0	0	0	0	0	2	0	1	0	0
Seaford	0	0	0	0	0	0	0	0	0	0	1	0	4	0	0	0
Selbyville	0	0	0	0	3	0	0	0	0	0	0	0	1	0	0	0
Slaughter Beach	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Bethany	0	0	0	0	7	0	7	0	0	0	0	0	7	0	1	0
Unincorporated Areas	4	0	73	82	168	29	20	0	0	25	39	89	136	17	34	2
COUNTY TOTAL	4	0	77	82	204	30	39	0	0	28	46	96	186	28	36	2
TOTAL	4	17	169	123	606	45	201	1	10	142	205	272	693	53	242	4

TABLE 15

# Bedrooms	Single Family 1986 2nd Qtr.	Single Family 1985 2nd Qtr.	Multi-Family 1986 2nd Qtr.	Multi-Family 1985 2nd Qtr.
1	1%	1%	30%	9%
2	18%	17%	58%	66%
3	60%	62%	11%	24%
4+	21%	20%	1%	1%

Living Space

Statewide, the larger units (over 1,500 square feet) took the lead in per unit living space preference with 42% of the 1,621 on-site new units. Most (68%) of these units are in New Castle County even though only 58% of all new on-site units were in New Castle County. This could reflect the fact that less than half of the 471 multi-family starts are in New Castle County and rental properties tend to be smaller. Mid-sized new housing units (between 1,000 and 1,500 square feet) represented 40% of statewide starts and were preferred in Kent and Sussex Counties. The small units (less than 1,000 square feet) accounted for 18% of the total units statewide. More details are available on Table 16.

TABLE 16: NUMBER OF UNITS BY SQUARE FEET PER UNIT

LOCATION	1985 2ND QUARTER under 1000	1000-1500	over 1500	1986 2ND QUARTER under 1000	1000-1500	over 1500
NEW CASTLE						
Bellefonte	0	0	0	0	0	0
Elsmere	0	0	0	0	1	0
New Castle	0	11	0	3	5	1
Newark	9	5	9	6	17	0
Newport	0	0	0	0	0	0
Odessa	0	0	0	0	0	0
Wilmington	4	0	15	21	27	2
Unincorporated Areas	48	193	306	128	274	455
COUNTY TOTAL	61	209	330	158	324	458
KENT						
Camden	0	0	0	0	0	0
Dover	6	21	9	29	53	26
Harrington	0	2	0	34	4	0
Milford (K)	0	1	0	0	2	4
Smyrna	1	9	1	0	5	2
Unincorporated Areas	3	46	31	4	59	35
COUNTY TOTAL	10	79	41	67	123	67
SUSSEX						
Bethany	0	1	16	0	0	26
Bethel	0	0	0	0	0	0
Blades	1	2	0	1	2	0
Bridgeville	0	0	0	0	0	0
Dagsboro	0	0	0	0	0	1
Delmar	0	0	0	0	0	0
Dewey Beach	0	0	0	0	0	0
Fenwick Island	0	0	1	0	0	0
Georgetown	1	2	0	0	2	1
Greenwood	0	2	0	0	0	0
Henlopen Acres	0	0	0	0	0	0
Laurel	0	1	0	0	0	0
Lewes	0	3	2	0	6	4
Milford (S)	0	9	3	6	0	0
Millsboro	0	1	0	4	0	8
Milton	0	2	0	0	0	1
Ocean View	0	3	1	0	0	1
Rehoboth	0	1	0	0	0	3
Seaford	0	0	0	1	1	3
Selbyville	0	1	2	0	1	0
Slaughter Beach	0	0	0	0	0	0
South Bethany	0	1	13	0	2	6
Unincorporated Areas	60	174	142	51	195	98
COUNTY TOTAL	61	194	180	63	209	152
TOTAL	132	482	551	288	656	677

Heating Fuel

Electric heat (primarily via a heat pump) continues to be the most favored heat source in Delaware this quarter with 80% of the 1,621 on-site new units, a 2% decrease below last quarter, but 7% above second quarter 1985. Electric heat is the dominant heat source in all three counties. The distribution of heating sources for on-site residential construction this quarter, compared to last quarter and the second quarter 1985 is shown in Figure 1. More details are available on Table 17.

Figure 1

2nd Qtr. 1986 Fuel Comparison

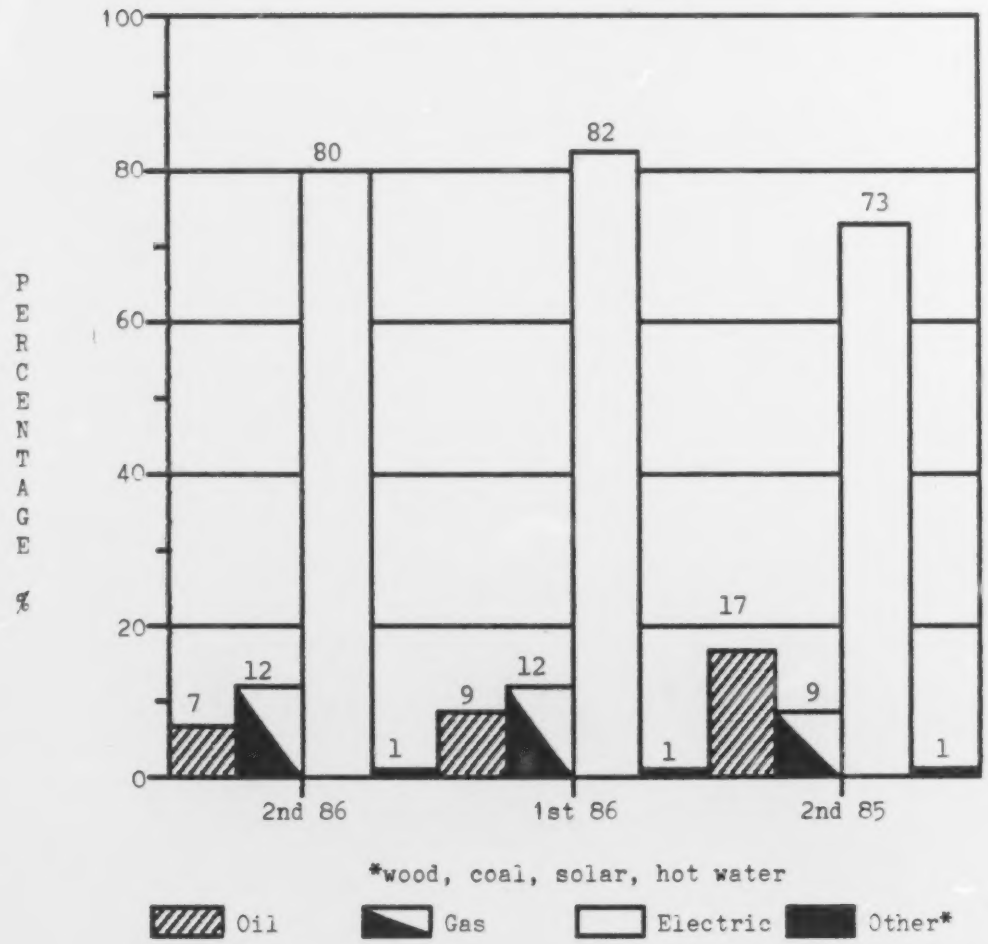


TABLE 17: HEATING FUEL IN HOUSING UNITS

LOCATION	NUMBER OF NEW UNITS WITH SPECIFIED FUEL 1985 2ND QUARTER Oil	Gas	Elec.	Other	1986 2ND QUARTER Oil	Gas	Elec.	Other
NEW CASTLE								
Bellefonte	0	0	0	0	0	0	0	0
Elsmere	0	0	0	0	0	0	1	0
New Castle	0	11	0	0	2	7	0	0
Newark	1	2	20	0	0	0	23	0
Newport	0	0	0	0	0	0	0	0
Odessa	0	0	0	0	0	0	0	0
Wilmington	0	2	17	0	0	24	26	0
Unincorporated Areas	24	74	445	4	15	58	784	0
COUNTY TOTAL	25	89	482	4	17	89	834	0
KENT								
Camden	0	0	0	0	0	0	0	0
Dover	2	12	22	0	0	8	21	0
Harrington	0	0	6	1	1	2	25	0
Milford (K)	0	0	1	0	0	0	6	0
Smyrna	0	0	11	0	0	3	4	0
Unincorporated Areas	15	2	56	7	12	10	73	3
COUNTY TOTAL	17	14	91	8	13	102	139	3
SUSSEX								
Bethany	0	0	17	0	0	0	26	0
Bethel	0	0	0	0	0	0	0	0
Blades	0	0	3	0	0	0	3	0
Bridgeville	0	0	0	0	0	0	0	0
Daisetta	0	0	0	0	0	0	1	0
Delmar	0	0	0	0	0	0	0	0
Dewey Beach	0	0	0	0	0	0	0	0
Fenwick Island	0	0	1	0	0	0	0	0
Georgetown	0	0	2	0	0	0	3	0
Greenwood	0	0	2	0	0	0	0	0
Henlopen Acres	0	0	0	0	0	0	0	0
Laurel	0	0	1	0	0	0	0	0
Lewes	1	0	4	0	0	0	10	0
Milford (S	0	0	3	0	0	0	6	0
Millsboro	0	0	1	0	0	0	12	0
Milton	0	0	2	0	0	0	1	0
Ocean View	0	0	4	0	0	0	1	0
Rehoboth	0	0	1	0	0	0	3	0
Seaford	0	0	0	0	1	3	1	0
Selbyville	0	0	3	0	0	0	1	0
Slaughter Beach	0	0	0	0	0	0	0	0
South Bethany	0	0	14	0	0	0	8	0
Unincorporated Areas	152	5	216	2	80	7	249	6
COUNTY TOTAL	154	5	274	2	83	10	352	6
TOTAL	196	108	347	14	113	201	1,298	9

REHABILITATED AND DEMOLISHED HOUSING

Home modifications or improvements for which permits have been issued range from adding a bathroom, bedroom or family room to substantial rehabilitation of a fire-damaged unit. Alterations and additions to existing housing units in Delaware this quarter totalled 337 at a total cost of $6,187,429, averaging $18,360 per unit.

Housing renovation work this quarter increased 6% from last quarter, but is 2% less than one year ago. The average unit cost this quarter increased 14% per home over the previous quarter, and is up 17% versus a year ago. The majority of home improvements this quarter continue to occur in Wilmington.

Table 18 shows housing renovation cost and units this quarter compared to second quarter 1985. Table 19 shows residential demolitions this quarter compared to second quarter 1985.

TABLE 18: REHABILITATION HOUSING (UNITS AND COST IN THOUSANDS)

LOCATION	1985 2ND QTR. UNITS	1985 2ND QTR. COST	1986 2ND QTR. UNITS	1986 2ND QTR. COST
NEW CASTLE				
Bellefonte	0	0	0	0
Elsmere	3	9	1	20
New Castle	0	0	0	0
Newark	5	200	4	8
Newport	0	0	1	7
Odessa	0	0	0	0
Wilmington	167	2,670	111	1,994
Unincorporated Areas	63	858	101	2,043
COUNTY TOTAL	238	3,738	215	4,072
KENT				
Camden	0	0	0	0
Dover	4	33	14	182
Harrington	0	0	0	0
Milford (K)	1	14	6	284
Smyrna	0	0	0	0
Unincorporated Areas	21	350	41	666
COUNTY TOTAL	26	397	61	1,131
SUSSEX				
Bethany	0	0	3	50
Bethel	0	0	0	0
Blades	0	0	0	0
Bridgeville	0	0	0	0
Dagsboro	0	0	0	0
Delmar	3	27	1	10
Dewey Beach	0	0	0	0
Fenwick Island	0	0	0	0
Georgetown	4	27	0	0
Greenwood	0	0	0	0
Henlopen Acres	0	0	0	0
Laurel	0	0	2	31
Lewes	10	386	8	293
Milford (S)	0	0	0	0
Millsboro	11	68	5	203
Milton	1	15	0	0
Ocean View	1	6	0	0
Rehoboth	4	98	0	0
Seaford	9	104	6	100
Selbyville	0	0	0	0
Slaughter Beach	0	0	0	0
South Bethany	5	49	1	11
Unincorporated Areas	32	488	35	287
COUNTY TOTAL	80	1,268	61	986
STATEWIDE	344	5,403	318	6,187

TABLE 19: RESIDENTIAL UNITS DEMOLISHED

LOCATION	NUMBER OF UNITS DEMOLISHED 1985 2nd Qtr	1986 2nd Qtr
NEW CASTLE		
Bellefonte	0	0
Elsmere	0	2
New Castle	0	0
Newark	0	0
Newport	0	0
Odessa	0	0
Wilmington	8	11
Unincorporated Areas	7	7
COUNTY TOTAL	15	20
KENT		
Camden	0	0
Dover	0	0
Harrington	0	1
Milford (K)	0	0
Smyrna	0	0
Unincorporated Areas	4	14
COUNTY TOTAL	4	15
SUSSEX		
Bethany	0	3
Bethel	0	0
Blades	0	0
Bridgeville	0	0
Dagsboro	0	0
Delmar	0	0
Dewey Beach	0	0
Fenwick Island	0	0
Georgetown	3	0
Greenwood	0	0
Henlopen Acres	0	0
Laurel	0	0
Lewes	0	2
Milford (S)	0	0
Millsboro	0	1
Milton	0	0
Ocean View	0	0
Rehoboth	3	0
Seaford	0	0
Selbyville	0	0
Slaughter Beach	0	0
South Bethany	0	0
Unincorporated Areas	0	0
COUNTY TOTAL	6	6
STATEWIDE TOTAL	25	41

FEDERAL ASSISTANCE

Twenty-five single-family units received federal assistance (FmHA, FHA, VA) in the form of direct loans, subsidies, mortgage insurance or mortgage guarantees in Delaware during second quarter 1986. This is an increase of 6 from last quarter., Table 20 summarizes this quarter's activity.

TABLE 20

Federal Assistance

	Farmers Home Administration	Federal Housing Administration	Veterans Administration	Total
New Castle Co.	2	4	Ø	6
Kent Co.	10	Ø	Ø	10
Sussex Co.	9	Ø	Ø	9
STATEWIDE TOTAL	21	4	Ø	25

NATIONAL HOUSING PICTURE

The U.S. Department of Commerce reports housing construction fell 7.9% in May and Ø.8% in June due to rising mortgage rates, which had dropped in April to below 10%. But rates are again descending and economists see a surge in construction coming in the months ahead.

New homes and apartments were constructed at an annual rate of 1.85 million units in June. New single-family homes were sold at an annual rate of 764,000 units in May following a 5.7% April sales decline, which was widespread around the country.

Even with these setbacks, housing for the first six months of 1986 is running 9% ahead of 1985's pace. Analysts are predicting the housing industry is headed for its best year since 1978.

# # # # # # # # # #

APPENDIX A

GRAPHS OF SINGLE FAMILY

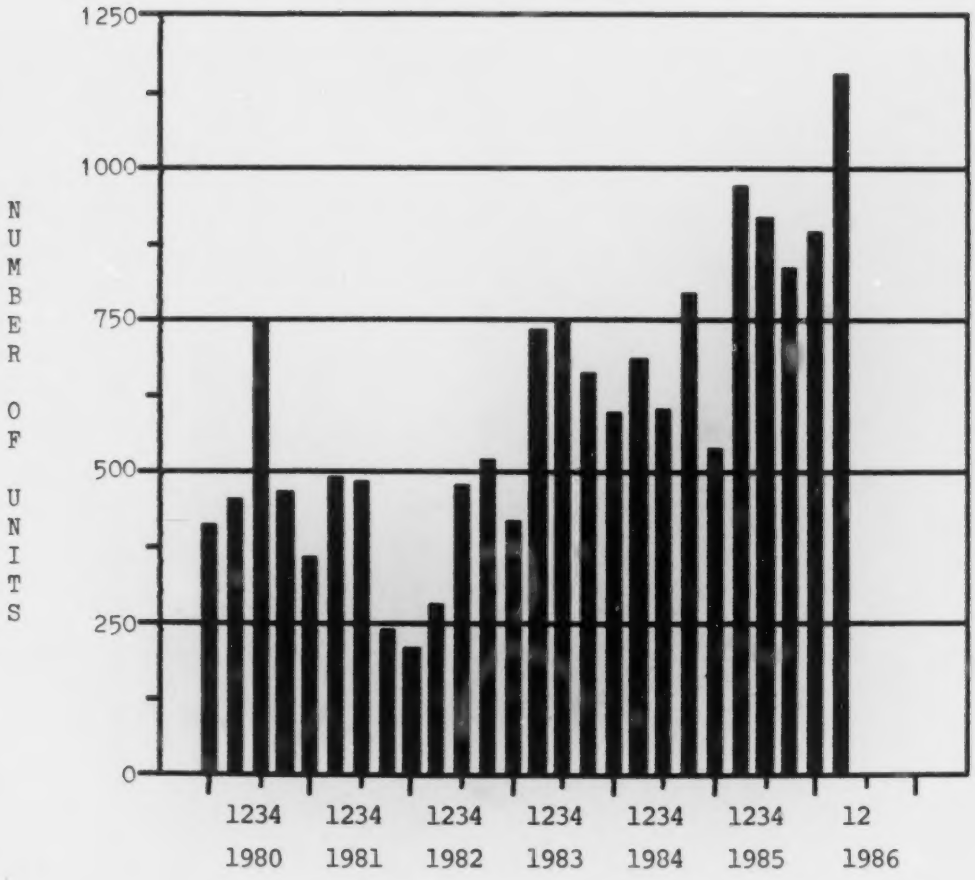
HOUSING PRODUCTION

1980 - 1986

(BY QUARTER)

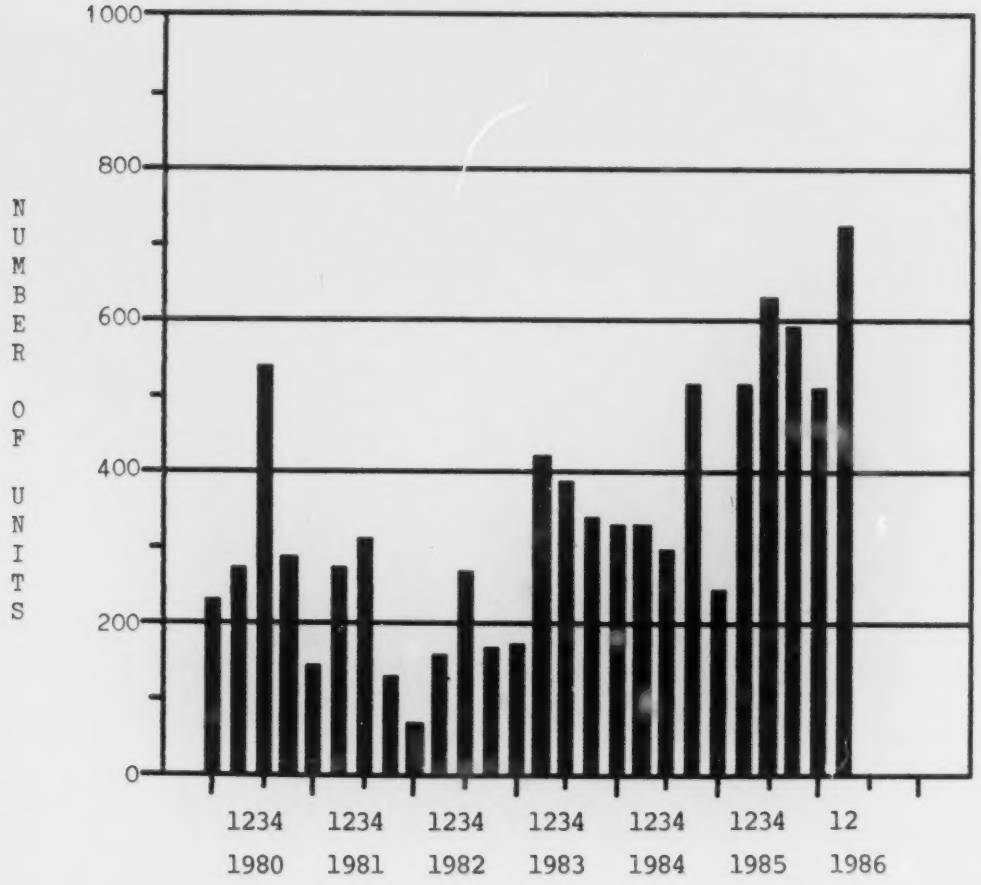
SINGLE FAMILY HOUSING PRODUCTION

STATEWIDE BY QUARTER



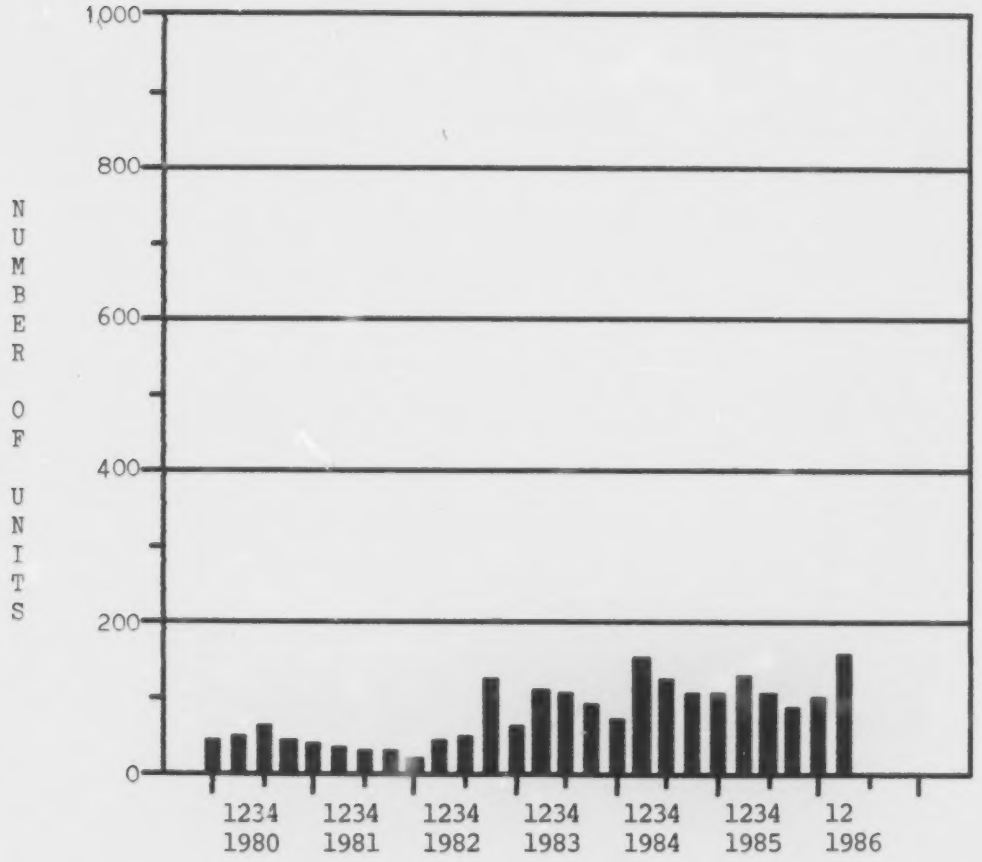
SINGLE FAMILY HOUSING PRODUCTION

NEW CASTLE COUNTY BY QUARTER



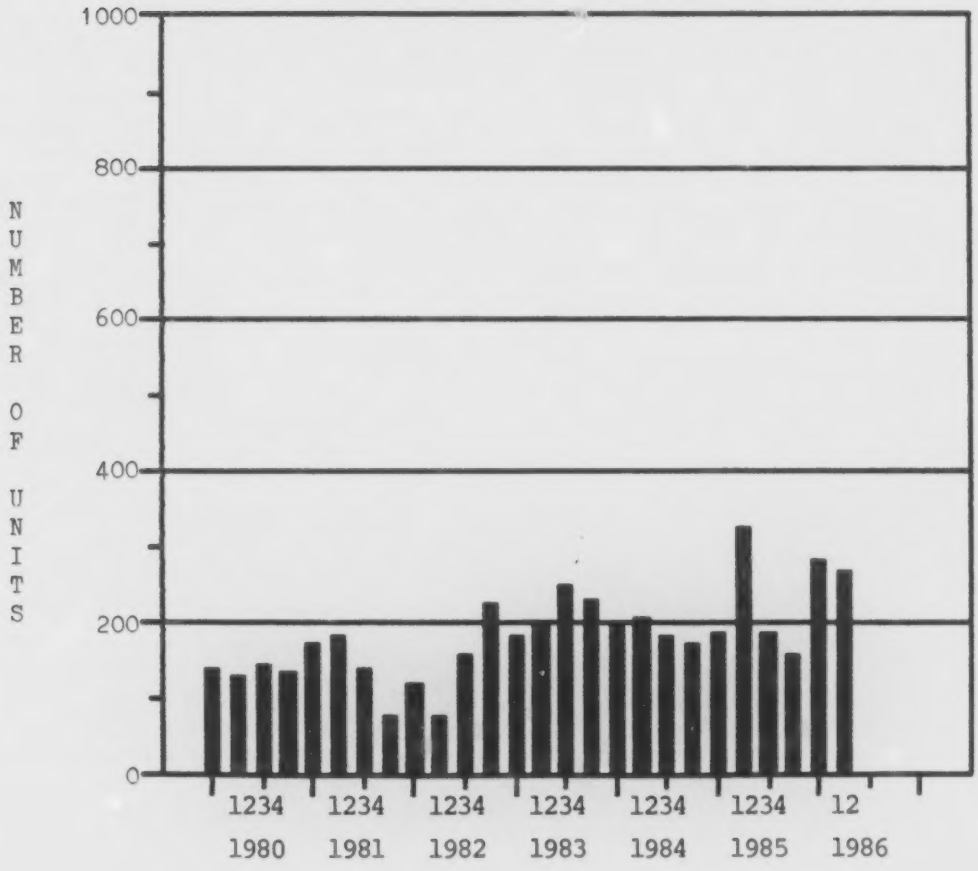
SINGLE FAMILY HOUSING PRODUCTION

KENT COUNTY BY QUARTER



SINGLE FAMILY HOUSING PRODUCTION

SUSSEX COUNTY BY QUARTER



APPENDIX B

AVERAGE BUILDERS' COST

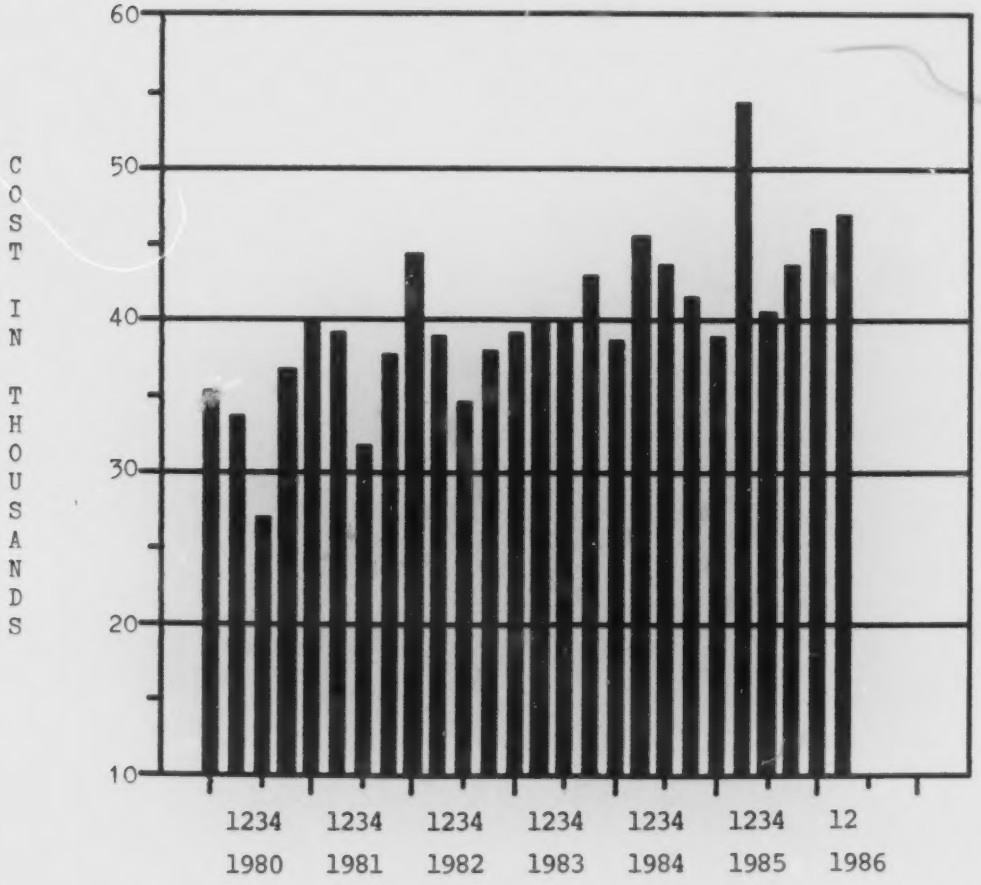
OF A SINGLE FAMILY HOME

1980 - 1986

(BY QUARTER)

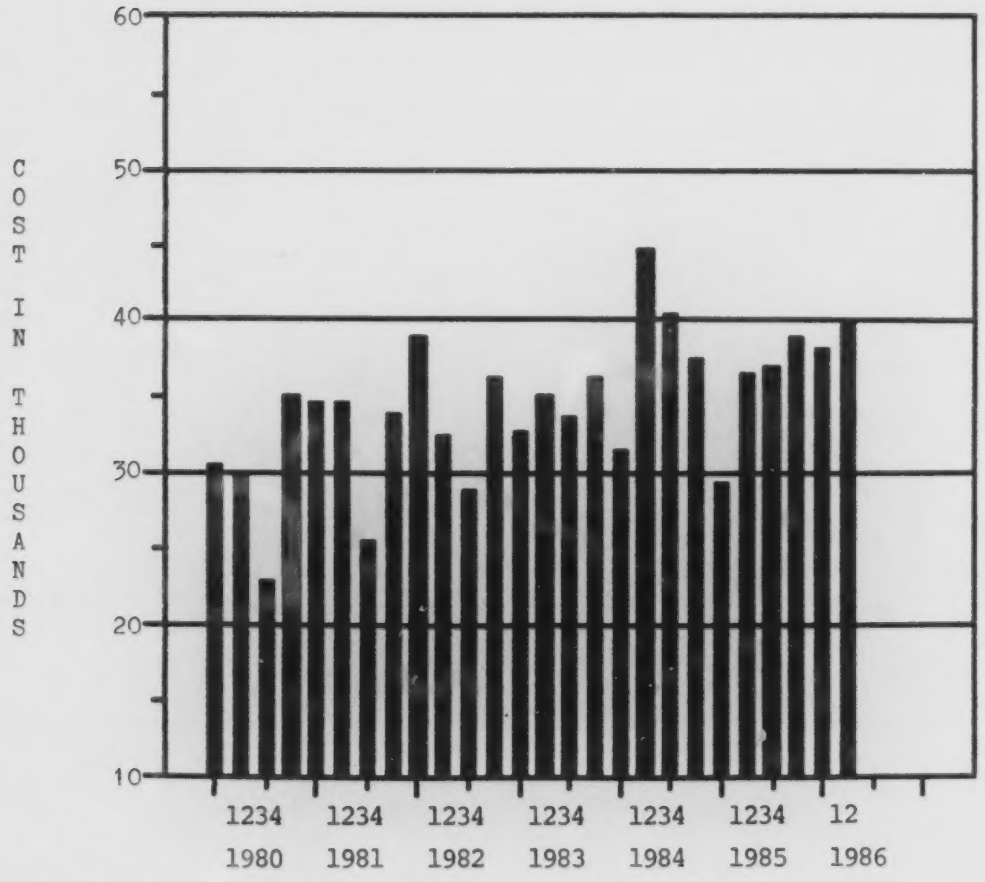
AVERAGE BUILDERS' COST FOR A SINGLE FAMILY HOME

STATEWIDE BY QUARTER



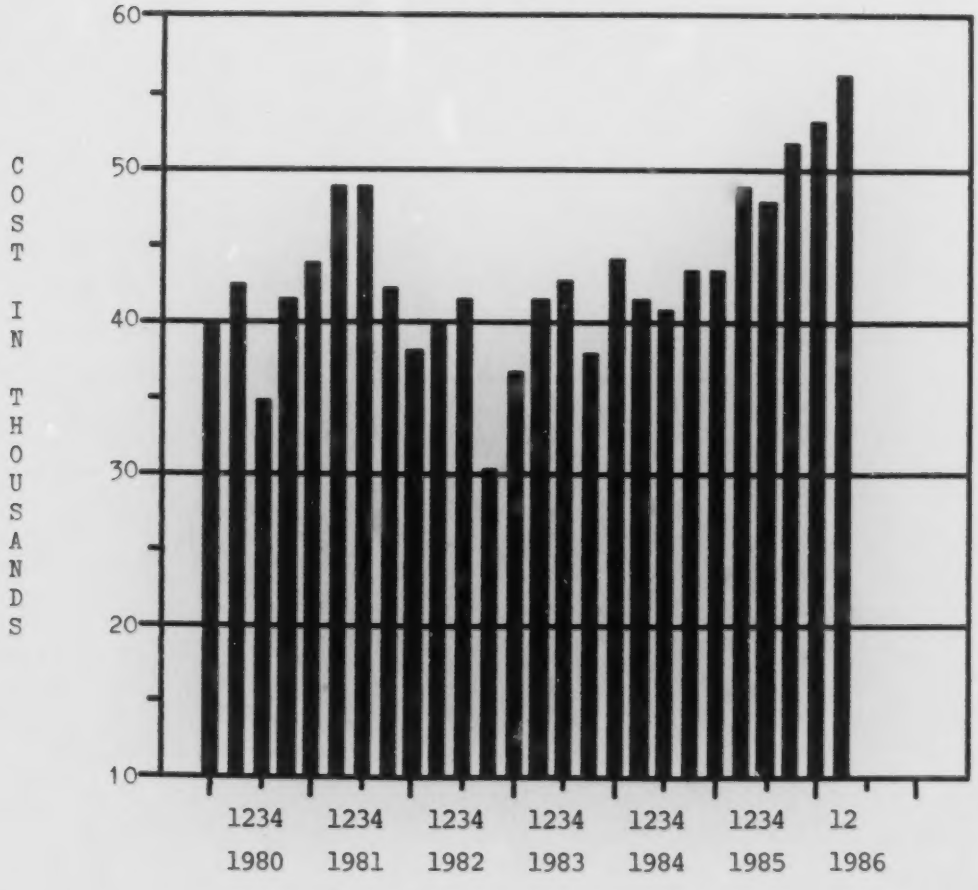
AVERAGE BUILDERS' COST FOR A SINGLE FAMILY HOME

NEW CASTLE COUNTY BY QUARTER



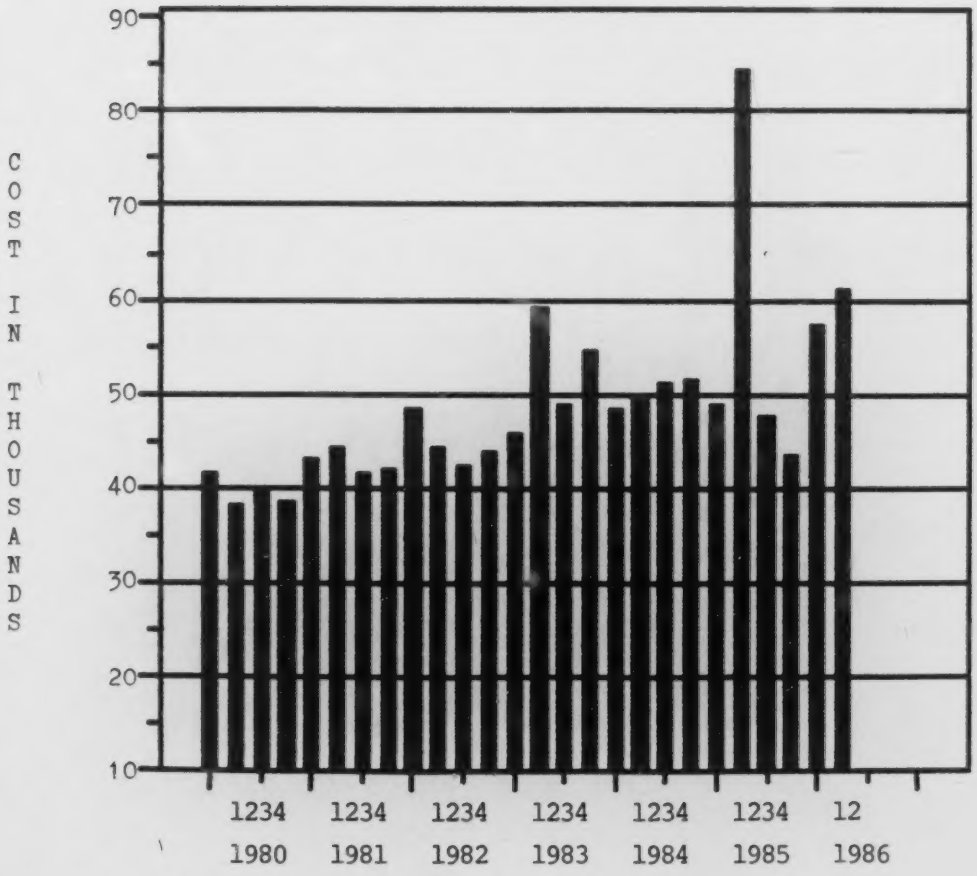
AVERAGE BUILDERS' COST FOR A SINGLE FAMILY HOME

KENT COUNTY BY QUARTER



AVERAGE BUILDERS' COST FOR A SINGLE FAMILY HOME

SUSSEX COUNTY BY QUARTER



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